

POUDRE RIVER PUBLIC LIBRARY DISTRICT

AGENDA ITEM SUMMARY

Name of Requestor: Holly Carroll
Appearance Date: November 11, 2013
Time Required: 15 min.
Date Decision Needed: November 11, 2013

Agenda Item:

VII. NEW BUSINESS

B. Approval of exemption of
Library Diagonal Walk Improvements
Project from COFC Municipal Code
Sec. 8-161 (c).

Objective:

Board approval of an exemption for the Library Diagonal Walk Improvements Project from the limits provided in COFC Municipal Code Sec. 8-161(c), "Exemptions to use of competitive bid or proposal--Construction change orders."

Situation:

On September 16, 2013, the Board approved a contract with Hoff Construction for \$347,593 which included \$203,206 for the base bid, \$112,657 for Alternate #2 (lighting), and \$4,730 for Alternate #3 (benches.)

At the time, Alternate #1 (stage construction) was not included in the contract. Bid responses came in higher than initial cost estimates, and the Board opted to fund alternates #2 and #3, but not #1 in order to keep project costs within the original total project amount previously approved to fund the project. At the time of contract approval, it was understood that, should additional donor funds become available, the Board would consider funding the stage construction at a later date.

Subsequently, due primarily to continued, successful fundraising by the Poudre River Library Trust, and through the unanticipated availability of City of Fort Collins (COFC) Innovation and Utilities funds, \$62,420 not included within the approved and contracted amount for the project have become available. These funds make possible the funding of the both the outdoor performance stage, including adjacent lighting not included in the initial alternate, as well as the completion of an enhanced rain garden, which is currently under construction.

If stage construction is added back to the project, with the enhancement of addition lighting, the cost will be approximately \$55,000. When that amount is totaled with enhancements to the rain garden, and a number of other, fairly small work change directives, the total contract amount will exceed the initial contract amount by approximately \$76,300. That amount, required in order to complete the stage and address other pending issues, is approximately 22% higher than the contracted amount. (Please consult the attached "Pending Issues Log" dated October 31, 2013 provided by Ditesco.)

COFC Municipal Code Sec. 8-161(c), "Exemptions to use of competitive bid or proposal--Construction change orders", limits the amount by which change orders can exceed a contracted amount to 15%, or \$60,000.00, whichever is greater. The District, in following the policies of the City, included this limitation in the construction contract with Hoff Construction. The Board may, at its discretion, exempt the current project from the limit provided in the code.

If the District had the funding we have now at the outset of the project, the stage would have been included from the beginning of the project, and the other changes would have totaled only 5.2% over the contracted amount.

Advantages:

The District will realize cost savings and the project timeline for completing the stage and associated lighting will be foreshortened if the stage is encompassed within the current project. Alternatively, if stage construction is pursued as a separate project, a new building permit will be required, as well as an additional and separate competitive bid process. Contractors and subcontractors currently engaged for the current project are familiar with the scope and requirements of the stage work, having already evaluated the work required for the Alternate #1 bid.

Disadvantages:

None

Requested Action:

Board approval of an exemption for the Library Diagonal Walk Improvements Project from the limits provided in COFC Municipal Code Sec. 8-161(c), "Exemptions to use of competitive bid or proposal--Construction change orders."

Potentially Affected Interest:

Public, staff

Level of Public Interest and Participation:

Moderate

POUDRE RIVER PUBLIC LIBRARY DISTRICT

RESO. NO. 2013- _____

**RESOLUTION APPROVING CHANGE ORDER AND EXEMPTION TO LIBRARY
WALK DIAGONAL AND STAGE IMPROVEMENTS PROJECT FROM
COFC MUNICIPAL CODE SEC. 8-161(c)**

WHEREAS, the District entered into a contract with Hoff Construction, Inc. dated September 16, 2013 for construction of the Library Walk Diagonal and Stage Improvements (“Project”); and;

WHEREAS, as initially bid, the Project included “Alternate #1—Library Diagonal Walk Improvements,” which provided for construction of an outdoor stage and associated improvements (“Alternative #1”); and,

WHEREAS, due to funding limitations, the District did not include Alternative #1 in the contract award with the understanding that if funds later became available the District would consider the stage construction and associated improvements at a later date; and,

WHEREAS, subsequent fundraising efforts as well as the unanticipated availability of Innovation and Utilities funds from the City of Fort Collins (“COFC”) have resulted in additional Project funding; and,

WHEREAS, the District would like to amend the Project and use the additional funds to reinstate Alternative #1, include adjacent stage lighting, and complete improvements to the rain garden (“Additional Improvements”); and,

WHEREAS, pursuant to an Intergovernmental Agreement dated December 17, 2007, the District abides by the procurement procedures set forth in the COFC Municipal Code; and,

WHEREAS, COFC Municipal Code Sec. 8-161(c) requires that change orders for amounts exceeding 15% of the original contract amount be competitively bid, subject to certain exclusions and exceptions; and,

WHEREAS, one such exception permits a contract award without competition upon the following determination:

Although there exists more than one (1) responsible source, a competitive process cannot reasonably be used or, if used, will result in a substantially higher cost to the City, will otherwise injury the City’s financial interests or will substantially impede the City’s administrative functions or the delivery of services to the public.

COFC Municipal Code Sec. 8-161(d)(1)(b); and,

WHEREAS, the District would like to complete the Additional Improvements as part of the Project and authorize a change order to its contract with Hoff Construction dated September 16, 2013; and

WHEREAS, issuance of the change order suggests that the authorization of an exemption to COFC Municipal Code Sec. 8-161(c) would be appropriate, even if not required, because the total amount of the change order exceeds 15% of the original contract amount.

NOW THEREFORE, The Board of Trustees of the District finds and resolves that:

1. The Project and Alternative #1 were both competitively bid. Re-bidding under a new contract would result in substantially higher costs to the District because of additional bid costs and mobilization.
2. If the Project had been fully funded at the time the initial contract was awarded, the adjacent lighting and rain garden enhancements would not be subject to COFC Municipal Code Sec. 8-161(c) because the change order total would have only exceeded the contracted amount by 5.2%.
3. The District will realize cost savings by granting this exemption.
4. An exemption to COFC Municipal Code Sec. 8-161(c) is warranted and authorized.
5. A change order authorizing Hoff Construction, Inc. to complete Alternative #1, stage lighting improvements, and rain garden enhancements, as part of the Library Walk Diagonal and Stage Improvements Project is hereby authorized for an amount not to exceed \$76,309.80.

ADOPTED THIS 11TH DAY OF NOVEMBER, 2013.

POUDRE RIVER PUBLIC LIBRARY DISTRICT

By: _____
President

ATTEST:

By: _____
Secretary