



Item Number: 4



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: February 25, 2025

TO: Mark Washington, City Manager

COMMITTEE: Community Development Committee

LIAISON: Mary Kate Berens, Deputy City Manager

FROM: Tim Burkman, City Engineer
Engineering

SUBJECT: **Resolution approving an increase of \$650,000 for Trench Repairs – Contract 2023-1 for a total not-to-exceed \$2,285,000.**

On February 7, 2023 (Proceeding No. 92322), the City awarded a contract to Lodestar Construction, Inc. (Lodestar), and authorized expenditures in the amount of \$985,000. On February 6, 2024 (Proceeding No. 93261) The City extended the contract to February 28, 2025, and increased expenditures in the amount of \$650,000. This project consists of making repairs to water and sewer trenches at various locations including curb and gutter and sidewalks.

It is recommended that this contract be retained to complete water and sewer trenches in MDOT trunk lines and within partner communities served with Grand Rapids' utilities, curb repairs as requested by Public Works, and for the installation of traffic calming features. Quantities of work for this project were estimated based on similar past projects. At this time, the work quantities are reaching their authorized limits.

The contract documents also reserve the right to extend the contract for an additional period of time at the City's option, contingent upon successful negotiations with the Contractor. In the original bid form accepted by the City, Lodestar bid a seven and a half percent (7.5%) increase for this second-year extension.

The attached resolution provides for the approval of the contract for an additional one (1) year period to February 28, 2026. Additionally, the resolution authorizes additional expenditures associated with the aforesaid contract in the amount of \$650,000 with total expenditures not to exceed \$2,285,000. This amount includes the costs of the construction contract, testing, and engineering/inspection/administration.

This project is being financed by various City departments. Costs will be charged to the appropriate department budgets for which these repairs are needed.

This contract relates to work outside the current agreement with the Department of Public Works and Water/Environmental Services Departments regarding trench repair work within the City. Public Works has been performing the majority of trench repairs within the City limits since 2019. Compared to prior years, this has resulted in an average savings of over 60% of the amount spent on similar projects.

cc: Tricia Chapman
Molly Clarin

#22093

Your COMMUNITY DEVELOPMENT COMMITTEE recommends the adoption of the following resolution approving a one (1) year term extension and an increase in expenditures in connection with the contract with Lodestar Construction, Inc. for Trench Repairs over Water and Sewer Lines, Curb Repair, Parking Lot Repairs and Traffic Calming at Various Locations – Contract 2023-1 in the amount of \$650,000 with total amount not-to-exceed \$2,285,000.

WHEREAS:

1. On February 7, 2023 (Proceeding No. 92322), the City awarded a contract to Lodestar Construction, Inc. (Lodestar) for the following project:

Trench Repairs over Water and Sewer Lines, Curb Repair, Parking Lot Repairs and Traffic Calming at Various Locations – Contract 2023-1 (hereinafter referred to as the “Project”); and

2. On February 6, 2024 (Proceeding No. 93261) the City extended the contract to February 28, 2025 and increased expenditures; and
3. It is necessary to extend the contract to February 28, 2026; and
4. It is necessary to increase the scope of work and authorize expenditures for the aforesaid contract; therefore

RESOLVED:

1. That the scope of work for the contract with Lodestar Construction, Inc., be increased at a cost of \$650,000 with total expenditures not to exceed \$2,285,000 which includes the costs of the construction contract, testing, engineering/inspection/administration. Said amount of \$2,285,000 to be charged to the appropriate department budgets for which these repairs are needed; and
2. That the extension of the contract with Lodestar Construction, Inc. in connection with the aforesaid project for an additional period of time to February 28, 2026 at a seven and a half percent increase in unit prices is hereby approved; and
3. That the City Engineer or his designee is hereby authorized to execute the necessary change order to the aforesaid contract with Lodestar Construction, Inc.
4. That the City Comptroller is hereby authorized and directed to make payment, in amounts and to said payees, as the City Engineer or his designee requests in connection with the Project.

CORRECT IN FORM



DEPARTMENT OF LAW