



CBD IV Contract Termination / Change Order

June 20, 2023

Contract Termination

- After months of delays, CBD IV project was not moving forward under the contractor Lesna's care
- Given the overall project delay, unsuccessful negotiations, and lack of project progress, the City could not afford the delays both financially and to the community
- **Both the City and Lesna have agreed amicably to end the contract.**

Change Order

- **Administrative** item to the termination of the contract
- This change order is a **Deductive** change order – **mechanism to zero out the Purchase Order to Lesna Construction**
- The amount of the deductive change equates to the work that was not completed
- The new contract amount of \$2,399,031.83 includes \$583,427.78 to be paid to Lesna Construction, Inc., for illumination materials and incidentals.



Project Location

- Campbell Street
- Kansas Street
- Oregon Street
- Father Rahm Ave
- 6th Avenue



Next Steps

- The designer of record prepared construction plans to complete the remaining work along Campbell Street.
- The Campbell Street construction package opened bids on June 14, 2023. Award and execution of contract to follow.

Recommendations

- That the City Engineer is authorized to terminate Contract 2021-0026 (CBD IV) pursuant to the provisions of Local Government General Requirements and Covenants. Termination shall be effective upon approval by City Council. The City will make any final payment due to the Contractor upon termination of the Contract.
- That the City Council approves the deductive change order in the amount of \$10,522,005.17 to Contract No. 2021-0026.

Thank you





Mission

Deliver exceptional services to support a high quality of life and place for our community



Values

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople



Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government



Misión

Brindar servicios excepcionales para respaldar una vida y un lugar de alta calidad para nuestra comunidad

Valores

Integridad, **R**espeto, **E**xcelencia, **R**esponsabilidad, **P**ersonas

Visión

Desarrollar una economía regional vibrante, vecindarios seguros y hermosos y oportunidades recreativas, culturales y educativas excepcionales impulsadas por un gobierno de alto desempeño