



AGENDA MEMORANDUM

Future Agenda Item for the City Council Meeting of August 18, 2015
Action Item for the City Council Meeting of August 25, 2015

DATE: August 13, 2015
TO: Mayor and City Council
FROM: Ron L. Olson, City Manager
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Resolution
City Council Construction Change Order Policy

CAPTION:

Resolution establishing City Council policy for construction change orders.

PURPOSE:

The purpose of this agenda item is for City Council to approve a Resolution adopting a City Council construction change order policy.

BACKGROUND AND FINDINGS:

A recent City Council Action Request item requested that Council review a Change Order Policy. Under current Texas Local Government Code Section 252.048, the Council is authorized to approve change orders. As well, because the City's population exceeds 300,000, Section 252.048 allows Council to grant authority to an administrative official to approve change orders up to \$100,000 for Public Works contracts. Under Part II Council Policies, City Council Policy #18 in the City's Code of Ordinances, the City Council granted to the City Manager or his designee the authority to approve change orders up to the maximum amount permitted under Texas Law. As well, in March 2014, Council approved a Motion authorizing the City Manager or designee to execute non routine change orders of up to an accumulated 5% of the contract value for the two Mary Rhodes Pipeline Phase 2 contracts.

CONCLUSION

A Resolution adopting a City Council construction change order policy is necessary in order for Council to exercise their oversight responsibilities and, at the same time, allow staff to effectively implement policy.

ALTERNATIVES:

1. Approve the Resolution as proposed.
2. Approve the Resolution with modifications.
3. Do not approve the Resolution.

OTHER CONSIDERATIONS:

None.

CONFORMITY TO CITY POLICY:

Resolution complies with City Charter’s requirements for approval of resolutions.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Legal Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Years 2014 - 2015	Development	Construction	Option Year One	TOTALS
Line Item Budget				
Encumbered/Expended Amount				
Future Anticipated Expenditures				
BALANCE	0			

Fund(s): N/A

Comments: None.

RECOMMENDATION:

Approval of the Resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution