



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

PUBLIC WORKS DEPARTMENT

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MEMORANDUM

TO: Honorable Mayor and Council

FROM: Dirk Jablonski, Public Works Director

CC: Jason Green, City Attorney
Dan Coon, Project Engineer

DATE: December 29, 2005

RE: Contract Termination Request

The City entered into contract with Banner Consulting Engineers & Architects to determine construction fees for various developments throughout the City. The construction fee is the cost to the individual property builder that is charged by the City to recover the City's cost of providing water supply and sanitary sewer service.

The original completion date for the work by Banner was September 19, 2005. This date was extended until October 31, 2005 because of extra work that was requested by the City of the Consultant. Work was not complete by the October 31, 2005 deadline. After discussion with Banner the deadline was extended several times with the understanding that the work was near completion. This was of mutual benefit. The final date of December 12, 2005 was ultimately established. That deadline was also not met.

Aside from the inability to meet the required completion date, Banner has provided a good quality product. However, as the City feels obliged to honor its commitments and contracts, so too is it reasonable to expect the same from Contractors for the City. The City incurs expenses in time and money for each delay imposed and it is imperative for the effective operation of the Public Works Department that contractors understand the value of work for the City.

Therefore, the Contractor has been asked to suspend work as of December 12, 2005 pending the Council's decision on termination of the contract. The Contractor understands the Public Works Department's action and has offered to complete the remainder of the project at no further expense to the City. It is expected that the work will be complete by the February 1, 2006. The Contractor has been paid \$35,607 of the contracted amount of \$38,360 for work completed.

Summary: Authorization is requested to terminate the contract with Banner Consulting Engineers and Architects for failure to meet the conditions or terms of the contract. This item was approved by the Public Works Committee and is being brought to full Council for consideration.