



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Yu Tagai, City Engineer

Date: January 27, 2026

Subject: **Final Contract Change Order to the Public Works Construction Agreement with Griffith Company, Inc. for the I-15 Main Street Interchange Improvement Project (CIP Project No. Z10017)**

Recommendation

Approve and authorize the City Manager to execute the Final Contract Change Order to the Public Works Construction Agreement with Griffith Company, Inc. in amount not to exceed \$109,375 for the settlement totaling \$485,000 for the I-15 Main Street Interchange Improvement Project in such final form as approved by the City Attorney.

Background

On October 12, 2021, City Council approved an Agreement for Public Works Construction with Griffith Company, Inc. (Griffith), to complete improvements associated with the Interstate 15 Main Street Interchange Improvement Project for \$7,998,603.50 plus 10% contingency of \$799,860.35 for total approved project cost not to exceed \$8,798,463.85. The project commenced on March 14, 2022, and construction was completed on November 10, 2025.

Discussion

In 2024, Griffith notified the City that it was seeking “time related field and home office overhead” costs based on 191 working day delay. The City analyzed the claim and concluded that much of the claim was not justified or was offset by liquidated damages caused by the Contractor’s delays. For 18 months, efforts to reach a resolution has been unsuccessful.

With intent on reaching a resolution, the City has requested a best and final settlement offer. In December 2025, the City received a best and final offer from Griffith in an amount of \$485,000, which provides resolution to all remaining items. With \$375,265.31 of additional approved

Main Street Interchange Improvement

contingency funds, Staff is requesting an additional \$109,375 to accommodate the total settlement offer of \$485,000. The offer expires on February 1, 2026.

Fiscal Impact

The project has been programmed in the City's CIP budget.

Attachments

Attachment 1 – Final Contract Change Order

Exhibit A – Settlement Proposal

Attachment 2 – Original Agreement