

# **City of Scottsbluff, Nebraska**

**Monday, August 17, 2015**

**Regular Meeting**

## **Item Reports<sup>7</sup>**

**Council to receive an update on the close out of Ave. I and liquidated damages to Simon Construction.**

**Staff Contact: Mark Bohl, Public Works Director**



## SIMON CONTRACTORS

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1914 W. Overland, PO Box 147, Scottsbluff, NE 69361, Phone 308-632-4111, Fax 308-632-4111

May 4, 2015

Rick Kuckkahn  
City Manager  
City of Scottsbluff  
2525 Circle Drive  
Scottsbluff, NE 69361

**Re: URB-5703(2), Avenue I, Liquidated Damages**

Dear Mr. Kuckkahn:

I attended the January 5, council meeting and requested that all damages being withheld on the above referenced project be waived because of the reasons spelled out in my letter dated October 17, 2014. The council requested that we meet with you and discuss a potential compromise. We met on January 9<sup>th</sup> and called Claude Oie of NDOR regarding the procedures and requirements of the DBE program when a DBE subcontractor defaults on their subcontract. During that meeting you requested that we make another request once the damages were finalized.

Simon Contractors has since received NDOR estimate number 6 for the above referenced project and the amount of liquidated damages has been adjusted to \$141,960.00 which matches the corrected day count. There has also been an additional \$36,793.79 withheld by the Department of Labor to compensate Perkins and Perkins employees that had not been paid. The total being withheld is \$178,753.79.

I would like to amend my previous request of alleviating all liquidated damages. Please consider not charging liquidated damages for days that were counted while Perkins and Perkins was not on the project as scheduled (8 days), and the time it took to find a replacement subcontractor (12 days). These 20 days would result in a credit to the contract of \$54,600.

It took the replacement subcontractor seven days to remove and replace Perkins and Perkins defective work. Please consider alleviating three of these seven days. This would result in an additional credit to the project of \$8,190.

Thank you for your consideration in this matter. Please contact me at 970-520-5032 if you have any questions.

Respectfully,

A handwritten signature in black ink, appearing to read "Darren Gebhart".

Darren Gebhart  
Simon Contractors