

COUNCIL AGENDA STATEMENT



Meeting Date: May 10, 2022
To: Honorable Mayor & Members of the City Council
From: Dan Saus, Utilities Manager
Through: George Garrett, City Manager

Agenda Item: **Resolution 2022-41**, Awarding Change Order #1 for the Construction Engineering Inspections for the Chemical Systems Upgrades to Weiler Engineering Corporation.; Approving a change in contract amount from \$150,500.00 to \$237,500.00; Authorizing The City Manager To Execute The Contract And Expend Budgeted Funds On Behalf Of The City; And Providing For An Effective Date. This work qualifies and will be submitted for reimbursement through the existing CDBG-DR grant.

BACKGROUND & JUSTIFICATION:

The City, pursuant to the provisions contained in the Continuing Services Agreement 2019-105WW approved by Resolution 2019-105 on October 8, 2019, between the City of Marathon and Weiler Engineering Corporation wished to obtain engineering services for the “Service Area 3 Expansion Design and Permitting” for (the “Project”).

Change Order #1 is attached as Exhibit “A” details the Scope of Work and cost breakdown for the engineering design services and permitting for the “Construction Engineering Inspections for the Chemical Systems Upgrades”. City staff, consisting of the Utility Director and the Utility Staff, has reviewed the proposal of Weiler Engineering Corporation., and the proposal is reasonable for the work as explained in Exhibit “B”, the Chemical Upgrades WA Increase.

CONSISTENCY CHECKLIST:

	Yes	No
1. Comprehensive Plan	<u>X</u>	_____
2. Other – 2010 Sewer Mandate	<u>X</u>	_____
3. Not applicable	<u>X</u>	_____

FISCAL NOTE:

The FY22 adopted Wastewater Utility budget includes appropriations of \$6,259,423 for the CDBG-DR grant projects.

RECOMMENDATION:

Approval of Resolution

**CITY OF MARATHON, FLORIDA
RESOLUTION 2022-41**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AWARDED A CONTRACT FOR CHANGE ORDER #1 TO THE “CONSTRUCTION ENGINEERING INSPECTION SERVICES FOR THE “CHEMICAL SYSTEMS UPGRADES” TO WEILER ENGINEERING CORPORATION; APPROVING THE PROJECT AGREEMENT INCREASING THE AMOUNT FROM \$150,500.00 TO THE NOT TO EXCEED AMOUNT OF \$237,500.00, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND EXPEND BUDGETED FUNDS ON BEHALF OF THE CITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Marathon (the “City”) and Weiler Engineering Corporation. (the “Engineer”) have entered into a continuing services agreement for Professional Engineering Services in February of 2019; and

WHEREAS, the work specific agreement (the “Project Agreement”) contains the scope of work to provide professional engineering services required for “Chemical Systems Upgrades” the “Project”); and

WHEREAS, the City staff wish to enter into this Change Order #1, which will enable the City to complete the construction inspection engineering services for the “Chemical Systems Upgrades”; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

Section 1. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. Change Order #1 attached hereto as Exhibit “A”, together with such non-material changes as may be acceptable to the City Manager and approved as to form and legality by the City Attorney is hereby approved. The City Manager is authorized to sign the Project Agreement and expend budgeted funds on behalf of the City.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 10th DAY OF MAY 2022.

THE CITY OF MARATHON, FLORIDA

John Bartus, Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Diane Clavier, City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

Steve Williams, City Attorney

EXHIBIT "A"
CHANGE ORDER

CHANGE ORDER NO. 1

TO: City of Marathon

PROJECT: Work Authorization 2019-105-WW (Resolution 2020-25, Approved 10/8/2019)

CONTRACTOR: Weiler Engineering Corporation

DATE: April 10, 2022

This Change Order will authorize the following change to the Agreement:

The Work as set forth in the Agreement is hereby amended to include the items set forth on **Exhibit "1"** attached hereto and by this reference made a part hereof.

This Change Order constitutes full, final, and complete compensation to the Contractor for all costs, expenses, overhead, and profit, and any damages, and/or time adjustments of every kind that the Contractor may incur in connection with the above referenced changes in the Work, and any other effect on any of the Work under the Agreement. The Contractor acknowledges and agrees that (a) the Contract Price of \$150,500.00 under the Agreement will be ~~unchanged~~ [changed] by this Change Order, and (b) the schedule for performance of Work will be ~~unchanged~~ [changed] by this Change Order. Contractor expressly waives any claims for any additional compensation, damages or time extensions in connection with the above-referenced changes. Except as herein or heretofore expressly modified, all terms of the Agreement shall remain in full force and effect and shall cover the performance of, and payment for, any work authorized hereunder. Any defined terms not defined in this Change Order shall have the meanings set forth in the Agreement.

By signing below the parties indicate acceptance of this Change Order as set forth herein.

CONSENT OF SURETY TO CHANGE ORDER

The Surety Agrees that this change order is not a cardinal change and if the Change Order includes an increase in the Contract amount, then the penal amount of the payment and performance bond issued for this Contract is increased by the dollar amount of this Change Order.

Not Applicable (Seal)
Surety's Name and Corporate Seal

By: _____
Signature and Title
City of Marathon

Attest: Edward R. Castle
Signature and Title
Contractor

By: _____
Name: _____
Title: _____

By: _____
Name: Edward R. Castle
Title: Vice President, Weiler Engineering

Exhibit "1"

CHANGE ORDER SUMMARY

This Change Order is necessary to cover changes in the Work to be performed under this Agreement. Except as may be modified herein all of the provisions of the Agreement apply to and govern all Work under this Change Order.

THE FOLLOWING CHANGES ARE MADE TO THE AGREEMENT DOCUMENTS:

(1)	Original Contract Price	\$150,500.00
(2)	Current Contract Price (Adjusted by Previous Change Orders)	\$150,500.00
(3)	Total Proposed Change in Contract Price	\$87,000.00
(4)	New Contract Price (Item 2 + Item 3)	\$237,500.00
(5)	Original Contract Time	365 Days
(6)	Proposed Change in Contract Time	837 Days
(6.1)	Current Contract Time (Adjusted by Previous Change Orders)	365 Days
(7)	Total Proposed Change in Contract Time	837 Days
(8)	New Contract Time (Item 6 ± Item 7)	1,202 Days
(9)	Original Contract Substantial Completion Date	October 10, 2020
(10)	New Contract Substantial Completion Date	January 25, 2023

CHANGE ORDER HISTORY						
Item No.	Description	Current Contract Amount	Additive Change	Deductive Change	Net Change Contract Price	Net Change Contract Time
1	Total Contract Price	\$150,500.00	\$87,000.00	\$0.00	\$87,000.00	837 Days
Total					\$87,000.00	837 Days

Exhibit "B"

WEILER ENGINEERING CORPORATION



6805 OVERSEAS HIGHWAY | MARATHON | FL 33050
TEL (305) 289-4161 | FAX(305) 289-4162

201 WEST MARION AVENUE - SUITE 1306 | PUNTA GORDA | FL 33950
TEL 941-505-1700 | FAX 941-505-1702 | WWW.WEILERENGINEERING.ORG

MEMORANDUM

To: Dan Saus, Utilities Director

From: Ed Castle, PE

Date: April 10, 2022

Re: Chemical Systems Upgrades Engineering Costs – PSA 2019-105-WW

The engineering budget for the above referenced Work Authorization has prepared in 2019 and was approved in October 2019. Since the original engineering cost estimate was prepared and approved, there have been several significant changes in the scope of work and the level of effort required to complete the project. The following items have impacted the needed effort by WEC for the project.

Item No.	Description	Additional Engineering Cost
1	Negotiations with Reynolds Construction and modifications to the scope of work and the project plans needed to reduce the cost of the project to meet the available grant funding. Preparation of revised contract documents and schedules of values.	\$27,500.00
2	Review of revised shop drawings and submittals from Reynolds Construction related to the changes in the project design needed to reduce construction costs.	\$7,500.00
3	Determination of the impact of proposed new BFEs for each WWTP, revised structural calculations for the impact of increased elevations on the wind and water loads on the chemical storage tanks and chemical pump skids platforms. Prepare revised drawings and negotiate change in construction cost with Reynolds Construction.	\$19,500.00
4	Estimated increase in costs for construction phase engineering related to changes in negotiated scope of work and to increased elevations to accommodate the new BFEs.	\$32,500.00
TOTAL REQUESTD CHANGE IN COST		\$87,000.00

WEC respectfully requests that the City approve a change order to Professional Services Agreement 2019-25-WW in the amount of \$87,000.00 as presented in the attached Change Order.

WEC also respectfully requests an increase of 837 days in the Contract Times for the project. Additional time was needed for the City to verify grant funding availability for the project and to award the final negotiated contract. The value engineering changes to the plans and the negotiations with Reynolds Construction to lower the project cost to match the available grant funding took

additional engineering time and delayed the starting date for construction of the project. Due in large part to these delays, the Notice to Proceed was not issued to Reynolds Construction until January 24, 2022. The requested 837 days will adjust the expected end date for the engineering work to match the Final Completion date for the construction project of January 24, 2023.