

COUNCIL AGENDA STATEMENT



Meeting Date: June 13, 2023
To: Honorable Mayor & Members of the City Council
From: Dan Saus, Utilities Director
Through: George Garrett, City Manager

Agenda Item: **Resolution 2023-56**, Approving Change Order #2 For Area 4 Disk Filter Upgrades To Reynolds Construction, LLC; Approving A Time Only Increase; Authorizing The City Manager To Execute The Change Order On Behalf Of The City; And Providing For An Effective Date.

BACKGROUND & JUSTIFICATION:

This Change Order is due to supply and labor issues as a result of manufacturer part delays as continual supply chain issues.

Change Order #1 is attached as Exhibit “A” details the Scope of Work showing time change to the Area 4 Disk Filter project.

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:

N/A

RECOMMENDATION:

Approval of Resolution

Sponsored by: Garrett

**CITY OF MARATHON, FLORIDA
RESOLUTION 2023-56**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING CHANGE ORDER #2 FOR AREA 4 DISK FILTER UPGRADES TO REYNOLDS CONSTRUCTION, LLC; APPROVING A TIME ONLY INCREASE; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Marathon (the “City”) and Reynolds Construction, LLC (the “Contractor”) have entered into a Contract for the Area 4 Disk Filter Upgrades; and

WHEREAS, the City staff wish to enter into this Change Order #2, which will increase the time of completion due to supply chain issues.

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.

Section 2. Change Order #2 attached as Exhibit “A” seeks an extension of time to complete this project from December of 2023 until September of 2024 and is hereby approved. The City Manager is authorized to execute Change Order 2. There are no corresponding changes in price or other terms of the prior agreements and previous change order. The sole purpose for the delay and necessity of this current change order is supply chain issues with the contractor unable to obtain materials in a timely manner.

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 13th DAY OF JUNE 2023.

THE CITY OF MARATHON, FLORIDA

Luis Gonzalez, 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 “C”
CHANGE ORDER**

CHANGE ORDER NO. 02

TO: City of Marathon

PROJECT: City of Marathon Area 4 Disc Filter Upgrades

CONTRACTOR: Reynold’s Construction, LLC

DATE: 31 May 2023

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 **\$379,500.00** under the Agreement will **not be changed** by this Change Order, and (b) the schedule for performance of Work will be **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.

Surety's Name and Corporate Seal (Seal)

By: _____
Signature and Title
City of Marathon

Attest: _____
Signature and Title
Contractor

By: _____
Name: George Garrett
Title: City Manager

By: _____
Name: Joshua Vondersaar
Title: Project Manager

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 | \$379,500.00 |
| (2) | Current Contract Price (Adjusted by Previous Change Orders) | \$379,500.00 |
| (3) | Total Proposed Change in Contract Price | \$0 |
| (4) | New Contract Price (Item 2 + Item 3) | \$379,500.00 |
| (5) | Original Contract Time | 120 Days |
| (6) | Proposed Change in Contract Time | 120 Days |
| (7) | Current Contract Time (Adjusted by Previous CO) | 275 Days |
| (8) | Total Change in Contract Time | 275 Days |
| (9) | New Contract Time (Item 6 ± Item 7) | 395 Days |
| (10) | Original Contract Substantial Completion Date | Dec 22, 2022 |
| (I 1) | New Contract Substantial Completion Date | Sep 23, 2023 |

| CHANGE ORDER HISTORY | | | | | | |
|----------------------|-------------|-------------------------|-----------------|------------------|---------------------------|--------------------------|
| Item No. | Description | Current Contract Amount | Additive Change | Deductive Change | Net Change Contract Price | Net Change Contract Time |
| I. | CO #1 | \$0 | \$0 | \$0 | \$0 | 155 days |
| II | CO #2 | \$0 | \$0 | \$0 | \$0 | 120 days |
| III | | | | | | |
| IV | | | | | | |
| V | | | | | | |
| VI | | | | | | |
| Total | | | | | | 275 days |

The Change Order is a result of: Changes are a result of manufacturer part delays for disc filter startup. More time is requested due to this delay.