

COUNCIL AGENDA STATEMENT



Meeting Date: July 12, 2022  
To: Honorable Mayor & Members of the City Council  
From: Dan Saus, Utilities Director  
Through: George Garrett, City Manager

Agenda Item: **Resolution 2022-68**, Awarding Change Order #1 for the Chemical Upgrades to Reynolds Construction, LLC.; Approving a change in contract amount of \$58,291.77; Authorizing The City Manager To Execute The Change Order And Expend Budgeted Funds On Behalf Of The City; And Providing For An Effective Date.

BACKGROUND & JUSTIFICATION:

Change Order #1 is attached as Exhibit “A” details the Scope of Work cost change due to the Davis Bacon wage requirements being added to the contract. Second cost change is due to flood elevation changes. FEMA has raised the flood elevation with the new maps and structures were raised to accommodate the flood elevation change. The third costs is a change as a result of the chemical structure at Area 7 needed to be redesigned due to unknown conflicts

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:

Appropriations for this project that won’t be expended by September 30, 2022 will be included in the proposed FY23 Wastewater Utility Fund budget.

RECOMMENDATION:

Approval of Resolution

Sponsored by: Garrett

**CITY OF MARATHON, FLORIDA  
RESOLUTION 2022-68**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AWARDING A CONTRACT FOR CHANGE ORDER #1 TO THE “CHEMICAL UPGRADES” TO REYNOLDS CONSTRUCTION, LLC.; APPROVING THE CHANGE IN CONTRACT AMOUNT OF \$58,291.77, 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 Reynolds Construction, LLC. (the “Contractor”) have entered into a agreement for the Chemical Upgrades; and

**WHEREAS**, the City staff wish to enter into this Change Order #1, which will enable the City to complete the construction for the “Chemical 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 12<sup>th</sup> DAY OF JULY 2022.**

**THE CITY OF MARATHON, FLORIDA**

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**John Bartus, Mayor**

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

**ATTEST:**

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Diane Clavier, City Clerk

(City Seal)

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

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Steve Williams, City Attorney

## CHANGE ORDER

### CHANGE ORDER NO. 1

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**TO: City of Marathon**

**PROJECT: City of Marathon Chemical Upgrades Project**

**CONTRACTOR: Reynolds Construction, LLC**

**DATE: 27 June 2022**

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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 \$ 2,715,000 under the Agreement will be [**changed**] by this Change Order, and (b) the schedule for performance of Work will be [**unchanged**] 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.

\_\_\_\_\_ (Seal)

Surety's Name and Corporate Seal

By: \_\_\_\_\_

Signature and Title  
**City of Marathon**

Attest: \_\_\_\_\_

Signature and Title  
**Contractor**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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 ..... \$2,715,000
- (2) Current Contract Price (Adjusted by Previous Change Orders) ..... \$2,715,000
- (3) Total Proposed Change in Contract Price ..... \$58,291.77
- (4) New Contract Price (Item 2 + Item 3) ..... \$2,773,291.77
- (5) Original Contract Time ..... 365 Days
- (6) Proposed Change in Contract Time ..... 0 Days
- (6) Current Contract Time (Adjusted by Previous Change Orders) ..... 365 Days
- (7) Total Proposed Change in Contract Time ..... 0 Days
- (8) New Contract Time (Item 6 ± Item 7) ..... 365 Days
- (9) Original Contract Substantial Completion Date ..... 12/24/22
- (10) New Contract Substantial Completion Date ..... 12/24/22

CHANGE ORDER HISTORY						
Item No.	Description	Current Contract Amount	Additive Change	Deductive Change	Net Change In Contract Price	Net Change Contract Time
1.	Total Contract Price	\$2,715,000	\$58,291.77	N/A	\$58,291.77	0
Total					\$58,291.77	

The Change Order is a result of:

**First cost change is due to Davis Bacon wage requirements being added to the contract. Second cost change is due to flood elevation changes. FEMA has raised the flood elevation with the new maps and structures were raised to accommodate the flood elevation change. The last cost change is a result of the chemical structure at Area 7 needing to be redesigned due to unknown utilities conflicts.**

The Cost Breakdown is as follows:

WORK ITEM DESCRIPTION	PRICE
<b>Davis Bacon Wages</b>	<b>\$ 24,366.46</b>
<b>Raising Chemical Platforms</b>	<b>\$ 27,578.41</b>
<b>Area 7 Utilities Conflicts Redesign</b>	<b>\$ 6,346.90</b>
	\$
	\$
	\$
	\$
	\$
<b>TOTAL</b>	<b>\$ 58,291.77</b>