

**COUNCIL ACTION FORM**

**SUBJECT: AMENDMENT TO ENGINEERING SERVICES AGREEMENT FOR DESIGN OF NEW WATER PLANT**

**BACKGROUND:**

On July 8, 2014, City Council authorized a change order with FOX Engineering to revise the design of the new Water Plant to switch from cascade aerators to induced draft aerators in response to comments from the Iowa Department of Natural Resources (IDNR). FOX immediately commenced work on the change in order to bring the project to bid as quickly as possible. Simultaneously, staff continued to press IDNR management to allow the use of the cascade aerators, since the cascade style of aeration appeared to be permitted under the State's adopted design criteria.

**On Thursday, July 17, staff was verbally informed that IDNR had reversed their original decision and had agreed to permit the use of the cascade aerators. This decision has subsequently been confirmed in writing.** Staff immediately directed FOX to stop all redesign work. Of the \$107,780 authorized, only \$45,772.91 had been spent by that time. Staff is now recommending that the unexpended balance of the change order to FOX for redesign of the aerators (\$62,007.09) be deleted from FOX's scope of work.

**ALTERNATIVES:**

1. Approve a change order amendment with FOX Engineering to delete the unexpended balance of the agreement related to redesign of the aerators (\$62,007.09). This will eliminate work from FOX's contract that now longer needs to be performed.
2. Do not approve a change order. The remaining balance of the aerator redesign scope of work will not be billed or paid, but would remain as an unexpended encumbrance in the project account.

**MANAGER'S RECOMMENDED ACTION:**

Due to the urgency of getting this project out to bid with induced draft aerators, FOX immediately began work to redesign the project plans on July 9. When IDNR changed its original position on July 17 and agreed to allow the use of cascade aerators, FOX immediately terminated its work on the aerator redesign.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a change order with FOX Engineering to delete the \$62,007.09 in unneeded scope of work.