

**COUNCIL ACTION FORM**

**SUBJECT: AMENDMENT TO ENGINEERING SERVICES AGREEMENT FOR CONSTRUCTION OF ELEVATED WATER STORAGE TANK**

**BACKGROUND:**

In January 2006, the City entered into an engineering services contract with DeWild Grant Reckert and Associates (DGR) of Rock Rapids, Iowa. This contract provided design and inspection services for a new elevated water storage tank near the State Avenue and Mortensen Road intersection. The engineering services agreement was comprised of a \$47,500 design services fee and an estimated \$20,000 inspection services fee. Design was completed in 2006, and a tank construction contract was awarded in 2007.

Construction began in August 2007 and has continued throughout the winter. Currently, the concrete pedestal is being formed. Since this phase of construction has extended into winter months, the scope and frequency of inspection services have been higher than anticipated. Progress on the tank has fallen behind schedule, and the slower pace will result in additional inspection visits being required. (For reference, the contract states the contractor shall pay \$750 in damages for each day completion is delayed beyond July 1, 2008.) Because of this, city staff requested that DGR provide a revised cost estimate for inspection services through the project duration. DGR proposes increasing the cost estimate from \$20,000 to \$45,000, not to be exceeded without prior approval of city staff. The project budget includes a contingency which can be used to cover the additional engineering services.

The revised project costs and available funding are as follows:

<u>Construction</u>		
Elevated Tank	\$1,695,625	
Electrical	5,000	
Security Fence	<u>25,000</u>	
Subtotal		\$1,725,625
Contingency, ~ 5%		<u>81,875</u>
Construction TOTAL		1,807,500
 <u>Engineering Services</u>		
Design, Bidding, Construction	47,500	
Inspection	<u>45,000</u>	
Subtotal		<u>92,500</u>
TOTAL PROJECT COST		\$1,900,000

### Available Funding

<u>Current Allocated</u>		
FY 06-07 Adopted	\$1,000,000	
FY 07-08 Adopted	600,000	
Savings from Lime Sludge Disposal Improvements Project	<u>300,000</u>	
TOTAL		\$1,900,000

### ALTERNATIVES:

1. Amend the engineering services contract with DGR and Associates to account for additional construction inspection services. This increases the total contract amount from \$67,500 to \$92,500.
2. Do not approve additional construction inspection services for the new elevated water storage tank.

### MANAGER'S RECOMMENDED ACTION:

In 2006, the City entered into an engineering services contract with DGR and Associates for the new elevated water storage tank. Construction progress has been slow and has required more inspection services than anticipated, particularly in the winter months. To keep the project on schedule while maintaining quality construction practices, the estimated not-to-exceed cost for engineering services has increased.

Timely completion of the tank is a key element of the distribution system improvements. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby amending the engineering services contract with DGR and Associates.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT**

**1. Background Data**

- a. Effective Date of Owner-Engineer Agreement: January 10, 2006
- b. Owner: City of Ames
- c. Engineer: DeWild Grant Reckert & Associates Company
- d. Project: One-Million Gallon Elevated Tank

**2. Nature of Amendment** *[Check those that are applicable and delete those that are inapplicable.]*

- Additional Services to be performed by Engineer
- Modifications to Services of Engineer
- Modifications to Responsibilities of Owner
- Modifications to Payment to Engineer
- Modifications to Time(s) for rendering Services
- Modifications to other terms and conditions of the Agreement

**3. Description of Modifications**

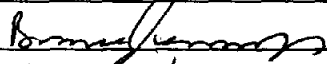
Attachment 1, "Modifications"

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is \_\_\_\_\_.

OWNER:

City of Ames  
\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

ENGINEER:

DeWild Grant Reckert & Associates Company  
\_\_\_\_\_  
By:   
Title: President  
Date Signed: 1-29-08

This is **Attachment 1**, consisting of 1 pages, to Amendment No. 1, dated January 29, 2008.

**Modifications**

1. For the additional Services or the modifications to services set forth above, Owner shall pay Engineer the following additional or modified compensation:

Paragraph 9.01 Payment (Lump Sum) A-2 relative to compensation for Project Observation Services is modified by changing \$20,000 to \$45,000.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT**

**1. Background Data**

- a. Effective Date of Owner-Engineer Agreement: January 10, 2006
- b. Owner: City of Ames
- c. Engineer: DeWild Grant Reckert & Associates Company
- d. Project: One-Million Gallon Elevated Tank

**2. Nature of Amendment** *[Check those that are applicable and delete those that are inapplicable.]*

- Additional Services to be performed by Engineer
- Modifications to Services of Engineer
- Modifications to Responsibilities of Owner
- Modifications to Payment to Engineer
- Modifications to Time(s) for rendering Services
- Modifications to other terms and conditions of the Agreement

**3. Description of Modifications**

Attachment 1, "Modifications"

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is \_\_\_\_\_.

OWNER:

City of Ames  
\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

ENGINEER:

DeWild Grant Reckert & Associates Company  
\_\_\_\_\_  
By: \_\_\_\_\_  
Title: President  
Date Signed: 1-29-08

This is **Attachment 1**, consisting of 1 pages, to Amendment No. 1, dated January 29, 2008.

### **Modifications**

1. For the additional Services or the modifications to services set forth above, Owner shall pay Engineer the following additional or modified compensation:

Paragraph 9.01 Payment (Lump Sum) A-2 relative to compensation for Project Observation Services is modified by changing \$20,000 to \$45,000.