

**COUNCIL ACTION FORM**

**SUBJECT: NEW WATER TREATMENT PLANT – AMENDMENT FOR ADDITIONAL PROFESSIONAL SERVICES**

**BACKGROUND**

On August 28, 2012 the City Council approved a professional services agreement with FOX Engineering of Ames for the final detailed design of the new water treatment plant, including bidding and construction phase services.

A portion of the construction phase services is for a resident project representative (RPR) who watches the construction and reports any deviations from the contract documents. The water plant construction project is made up of two contracts. Contract 1 is the pipeline construction, and Contract 2 is the water treatment plant construction project. Each contract has separate RPR services.

Contract 1 RPR services are provided under Task Order 4.3 with the Consultants. The construction of the pipeline took longer than expected and work exceeded the substantial completion date. Additional RPR and construction administration services were needed to ensure the project was completed according to contract requirements beyond the previously amended contract. **The total additional cost for these services is \$15,491.82.** Closeout of the construction contract is proceeding towards mediation, in large part due to the City's out-of-pocket expenses for the project running longer than the contract allowed. It is staff's intention to recover the cost for additional professional services from the contractor.

The approved FY 16/17 Capital Improvements Plan includes a total project budget of \$71,241,000. A simplified breakdown of the project costs is shown below.

<b>Description</b>	<b>Amount</b>
Contract 1 (actual bid price)	\$3,197,273
Contract 2 (actual bid price)	52,497,000
Engineering	8,900,000
Lime Sludge Removal	1,570,000
Land & Easements	899,000
Special Inspections	350,000
Pre-design Activities	774,000
Equipment Allowances, Misc.	540,000
Contingency	2,513,727
<b>Total</b>	<b>\$71,241,000</b>

A summary of all change orders executed since the award of the construction contracts is included on the next page, with this latest change order shown in bold.

**ALTERNATIVES:**

1. Approve a change order to Task Order 4.3 under the Master Agreement with FOX Engineering for the design, bidding and construction of the new water treatment plant in the amount of \$15,491.82
2. Do not approve the change order to Task Order 4.3.

**CITY MANAGER'S RECOMMENDED ACTION:**

The new water treatment plant project is exceptionally important for the long-term viability of the Ames community, both in terms of increasing the capability of the utility to meet growing demands, as well as to improve the redundancy and reliability of the treatment process. An important part of the construction process is ensuring the project is completed as designed and in accordance with contract documents. Having dedicated RPR personnel provide this service is extremely valuable.

**Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.**

New Water Treatment Plant  
Summary of Change Orders and Running Contingency Balance

Description	Net Change	Remaining Contingency
<i>Initial contingency, based on FY 16/17 CIP</i>		\$ 2,513,727.00
Contract 2, Change Order #1 Sanitary Sewer Realignment	\$ 127,023.00	\$ 2,386,704.00
Contract 2, Change Order #2 Second water service line; additional gate valve; change in pipe material; manhole waterproofing.	\$ 55,634.00	\$ 2,331,070.00
Contract 1, Change Order #1 Raw water realignment, site work, communication structure	\$ 9,256.45	\$ 2,321,813.55
Contract 1, Change Order #2 Piping changes, bypass structure changes, hydrant valves	\$ 21,687.60	\$ 2,300,125.95
Contract 2, Change Order #3 Minor plumbing changes, tree removal, minor electrical change to elevator, process valve simplification	\$ 5,457.00	\$ 2,294,668.95
Contract 1, Change Order #3 Air relief hydrants, pedestrian ramp, thrust block removal and replacement	\$ 16,974.83	\$ 2,277,694.12
Contract 2, Change Order #4 Clearwell access hatches	\$ 6,192.00	\$ 2,271,502.12
Contract 2, Change Order #5 Debris removal, analyzers, access doors, lime pond gates, structural clarifications	\$ 21,790.00	\$ 2,249,712.12
Contract 1, Change Order #4 Road stone, replace lime sludge line laterals, repaint hydrants	\$ 6,647.12	\$ 2,243,065.00
Contract 2, Change Order #6 Electrical modifications, valve floor stand, tracer wire, loss of work time	\$ 22,624.00	\$ 2,220,441.00
Contract 2, Change order #7 Piping modifications to eliminate maintenance in a confined space	\$ 8,985.00	\$ 2,211,456.00
Contract 2, Change order #8 Flooring changes, plumbing modifications, concrete construction changes, valves, concrete pad	\$ 19,341.00	\$ 2,192,115.00
Professional services contract Additional RPR services	\$ 108,015.00	\$ 2,084,100.00

Contract 2, Change order #9 Miscellaneous construction modifications and process piping adjustments	\$ 3,659.00	\$ 2,080,441.00
Contract 2, Change order #10 Service water piping rerouting	\$ 6,027.00	\$ 2,074,414.00
Contract 2, Change order #11 Glass revisions	(\$ 2,360.00)	\$ 2,076,774.00
Contract 2, Change order #12 Natural gas pressure reducing valve and concrete pad	\$ 5,211.00	\$ 2,071,563.00
Contract 2, Change order #13 Lime pond work, water service lines, interior finish selections, hose bib modifications	\$ 21,136.00	\$ 2,050,427.00
<b>Professional services contract Additional RPR and construction administration for Contract 1</b>	<b>\$ 15,491.82</b>	<b>\$ 2,034,935.18</b>

This is **EXHIBIT K**, consisting of two (2) pages, plus attachments, referred to in and part of the **Master Agreement between Owner and Engineer for Professional Services** dated October 13, 2009.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT**  
**Amendment No. 3 to Task Order 4.3**

**1. BACKGROUND DATA:**

- a. Effective Date of Owner-Engineer Agreement: October 13, 2009 – Master Agreement  
August 28, 2012 – Task Order 4.3
- b. Owner: City of Ames
- c. Engineer: FOX Engineering Associates, Inc.
- d. Project: Ames Water Treatment Plant

**2. DESCRIPTION OF MODIFICATIONS:**

- a. The Scope of Services currently authorized to be performed by Engineer in accordance with the Agreement and previous amendments, if any, is modified as follows:
  - 1. Task Order 4.3 is amended to include 80.60 hours and associated reimbursable expenses of Task 700 – Resident Project Representative & Erosion Control Observation through November 14, 2016 beyond those noted in the original Task Order 4.3 and as previously amended. On November 14, 2016 erosion control observation was completed with the determination that the area has been adequately stabilized.
  - 2. Task Order 4.3 is amended to include \$7,134.64 for Task 600 – Construction Administration construction administration after the Substantial Completion Date and for construction administration after the Final Completion Date.
- b. For the modifications to engineering services set forth above, Owner shall pay Engineer the following compensation:

Task Series	Basis of Fee	Current Amount	Change	Revised Amount
600	Method A-Lump Sum	\$114,300.00	+\$7,134.64	\$121,434.64
700	Method B-Hourly	\$123,315.00	+\$8,357.18	\$131,672.18
Total			+\$15,491.82	

- c. The schedule for rendering services is modified as follows:
  - 1. As with the other services provided under Task Order 4.3, the Engineer shall perform these services with reasonable diligence and expediency consistent with sound professional practices.
  - 2. As noted in the monthly status reports, these additional services have been conducted since the contract substantial completion and/or final completion date.

- d. Other portions of the Agreement (including previous amendments, if any) are modified as follows:  
*(no additional modifications noted).*
- e. The responsibilities of Owner are modified as follows: *(no additional modifications noted).*

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 \_\_\_\_\_, 2016.

OWNER:

City of Ames, Iowa \_\_\_\_\_

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

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

Date Signed: \_\_\_\_\_

ENGINEER:

FOX Engineering Associates, Inc. \_\_\_\_\_

By: Lance Aldrich  \_\_\_\_\_

Title: Project Manager \_\_\_\_\_

Date Signed: 12/13/16 \_\_\_\_\_