

**COUNCIL ACTION FORM**

**SUBJECT: AMENDMENT NUMBER FOUR TO AGREEMENT FOR ENGINEERING SERVICES FOR NEW WATER WELLS**

**BACKGROUND:**

As old wells fail and need to be replaced and as demand for treated water increases, additional water supply wells must be constructed. **This project will provide a combination of new and replacement water supply capacity by the addition of three new wells and interconnecting pipeline to the water treatment plant. The project will also include new fiber optic communication conveyed to the water treatment plant for well controls and security measures. The three new wells, to be located north of North River Valley Park, will be connected to the existing standby generator located at the water treatment plant to provide emergency power to the wells.**

The original contract with HDR Engineering included an allowance of \$150,000 for construction phase services. When the first round of bids came in too high, Council accepted the staff recommendation to reject the bids and to redesign and rebid the project. Staff utilized a portion of the construction phase funds (via Amendments Two and Three) to cover the cost of the redesign (primarily associated with deleting the dedicated emergency generator and instead running a feed from the emergency generator at the Water Plant). **This amendment increases the part-time construction phase services from 240 to 720 hours, an increase of \$73,600 from \$33,044 to \$106,644. The increase in hours is to allow increased observation of the electrical, communication, and fiber optic system construction. These are specific areas where the expertise of the consultant provides value beyond the day-to-day construction observation that will take place by staff. The work will be performed on an hourly not-to-exceed basis as directed by City staff.**

A Drinking Water State Revolving Fund (DW SRF) loan in the amount of \$8,500,000 has been identified as the funding source for the construction of these new wells. Repayment of the loan will be from water utility revenues. The not-to-exceed amount was established to cover potential cost increases and change orders. The City will only borrow the amount actually needed to fund the project. .

**ALTERNATIVES:**

1. Authorize Amendment Number Four to the agreement for engineering services with HDR Engineering, Inc., increasing part-time construction phase services from 240 to 720 hours; an increase of \$73,600.
2. Do not approve the contract amendment number four.

**MANAGER'S RECOMMENDED ACTION:**

Contracted construction observation services are needed to provide specialized expertise, as well as to help stretch staff resources. Staff has worked with the engineering firm to prepare a realistic estimate of the number of hours likely to be needed. All work is on an hourly not-to-exceed basis as directed by City staff. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.

AMENDMENT NO. 4 TO AGREEMENT  
FOR  
ENGINEERING SERVICES

WHEREAS:

HDR ENGINEERING, INC. ("ENGINEER") entered into an Agreement on June 28, 2016 to perform engineering services for Raw Water Pipeline and Electrical ("Project");

CITY OF AMES, IOWA ("OWNER") desires to amend this Agreement in order for ENGINEER to perform services beyond those previously contemplated;

ENGINEER is willing to amend the agreement and perform the additional engineering services.

NOW, THEREFORE, ENGINEER and OWNER do hereby agree:

The Agreement and the Terms and Conditions therein shall remain unchanged other than those sections and exhibits listed below;

First paragraph of SECTION IV. COMPENSATION shall be replaced with the following:

Compensation for ENGINEER'S services under this Agreement shall be on the basis of  
- per diem, and shall not exceed \$687,800.00 as follows:

	Original	Amend	Amended	Amend	Amended	Amend	Amended	Amend	Amended
	Contract	No. 1	Contract	No. 2	Contract	No. 3	Contract	No. 4	Contract
Task	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Permits	\$35,410	\$0	\$35,410	\$0	\$35,410	\$0	\$35,410	\$0	\$35,410
Design	\$248,700	\$80,000	\$328,700	\$0	\$328,700	\$0	\$328,700	\$0	\$328,700
Bidding	\$14,710	\$0	\$14,710	\$0	\$14,710	\$0	\$14,710	\$0	\$14,710
Const Administration	\$66,140	\$0	\$66,140	\$6,335	\$72,475	\$2,787	\$75,262	\$0	\$75,262
Close-Out	\$19,240	\$0	\$19,240	\$3,595	\$22,835	\$427	\$23,262	\$0	\$23,262
Const Observation	\$0	\$150,000	\$150,000	-\$58,170	\$91,830	-\$58,786	\$33,044	\$73,600	\$106,644
Re-Design & Re-Bidding	\$0	\$0	\$0	\$48,240	\$48,240	\$55,572	\$103,812	\$0	\$103,812
<b>TOTAL</b>	<b>\$384,200</b>	<b>\$230,000</b>	<b>\$614,200</b>	<b>\$0</b>	<b>\$614,200</b>	<b>\$0</b>	<b>\$614,200</b>	<b>\$73,600</b>	<b>\$687,800</b>

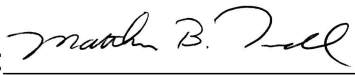
Amendment No. 4 includes updated services and fees as indicated below:

- Amendment 3 reduced the part-time Construction Observation to be provided by Engineer by **\$58,786** from \$91,830 to **\$33,044** to offset the increase for requested re-design and other services for the total contract amount to remain at **\$614,200**.
- Amendment 4 increases the part-time Construction Observation to be provided by Engineer as requested from 240 hours to 720 hours, and increases reimbursable expenses accordingly, by a total of **\$73,600** from \$33,044 to **\$106,644**.
- The net result of these updated services and fees of Amendment 4 shall be an increase in the total contract amount of **\$73,600** from \$614,200 to **\$687,800**.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year written below:

HDR ENGINEERING, INC. ("ENGINEER")

CITY OF AMES, IOWA ("OWNER")

By: 

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

Name: Matthew B. Tondl

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

Title: Senior Vice President

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

Date: 11/16/2022

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