Memo

To: City Council

From: Amy E. Gilson, P.E., Director of Public Works

Date: June 22, 2017

Re: Engineering Change Order

Attached you will find documentation from the engineer on the tennis court project. Their original contract for design and construction engineering was \$9,200.00. The amount that they have spent to date is \$14,350.00. They have written off a portion of that amount resulting in a total billed amount of \$11,449.00. Due to the circumstances outlined in their letter, they are asking for an increase in their contract. It is our opinion that these factors were well beyond their control, administration directed the changes based on the changes from those advocating the project, and the increases in time required for the project are valid.

Therefore, we are recommending approval of the contract amendment for amount of \$ 1,724.00.

If you have any questions, please let me know.



Large Firm Resources. Personal Attention. sm

June 22, 2017

Ms. Amy Gilson, P.E. Director of Public Works City of Charlotte 111 E. Lawrence Avenue Charlotte, MI 48813

RE: Tennis Court Reconstruction

Additional Engineering Services Proposal

Dear Ms. Gilson:

ROWE Professional Services Company (ROWE) is submitting a request for additional engineering services associated with the above referenced project. It is our understanding that at the June 12, 2017 meeting the council voted to reject the bid that was received for construction phase of this project thus placing the project hold. Because of this, we have been asked by the city to compile all our engineering costs and submit a final invoice for approval.

The following is a summary of the project timeline which should justify our request for additional engineering services.

- On May 21, 2015, ROWE submitted a proposal for engineering services and was awarded the contract by the city.
- The original project was to be funded with city funds, Patronicity grant and donations, which is what ROWE based our engineering services proposal on.
- In the summer of 2015, there was a decision to apply for a USTA grant. ROWE worked with the city to revise the drawings and specifications to meet the requirements of the USTA which were more stringent than what was included in the original intended scope. There were several revisions/iterations that were required by the USTA which extended into early summer of 2016.
- Once the documents were approved by USTA, ROWE worked with the city to advertise the project for bids and in August 2016 a bid opening was scheduled, which unfortunately no bids were received. We spent additional time following up with contractors to see why they did not bid the project to learn that they had issues meeting the USTA asphalt specification.
- After no bids were received, the city elected not to pursue the USTA grant and therefore the drawings
 had to be revised to eliminate some of the requirements of the USTA as an attempt to reduce the
 anticipated construction costs. ROWE revised the documents and again worked with the city to
 advertise the project for bids.
- Additional extra meetings were held with the stakeholders throughout the project.
- In April 2017, a bid opening was scheduled and only one bid was received for an amount that was
 greater than the available funding.
- Finally, on June 12, 2017, the city council voted to reject the bids and place the project on hold.

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The items noted above resulted in additional engineering services and dollars being accrued by ROWE. The fact that an additional funding source was pursued resulting in multiple revisions to the documents to gain their approval prior to bidding impacted our budget. Additionally, when no bids were received and the documents were again revised and reissued for bids, this caused us to expend more time and dollars on this project.

Our original budget included the following budget breakdown:

Survey and Design	\$4,000
Construction	\$5,000
Total Budget	\$9,200

In an effort to keep the project moving forward, we were authorized by the city to continue design revisions using the approved construction budget. To date ROWE has expended \$14,350 for this project. However, as the City of Charlotte has been a very good Client of ours, we have elected to write off a portion of our overage. We are requesting a reduced contract increase of \$2,249. If approved, our revised total compensation for this project would be \$11,449.

If you have any questions regarding this request, please contact me (810) 341-7500.

Sincerely,

Jeffrey B. Markstrom, PE Design Division Manager

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