



City of Grand Island

Tuesday, October 23, 2018

Council Session

Item G-22

#2018-320 - Approving Change Order #1 to Olsson Associates for Design and Construction Management Services at the Veteran's Sports Complex - Phase II

Staff Contact: Todd McCoy, Parks & Recreation Director

Council Agenda Memo

From: Todd McCoy, Parks and Recreation Director

Meeting: October 23, 2018

Subject: Approve Change Order No. 1 to Olsson Associates for Design and Construction Management Services at the Veterans Sports Complex

Presenter(s): Todd McCoy, Parks and Recreation Director

Background

By letter agreement dated March 21, 2017 and approved by Council on April 11, 2017, the City of Grand Island engaged the firm of Olsson Associates to perform design and construction management related to the development of the Veterans Sport Complex. Olsson's proposal included an estimated 20-week project construction phase in addition to making other assumptions and estimations concerning the scope and complexity of the project. Through a negotiation process with Olsson Associates following an RFQ procurement process, the City and Olsson's agreed to fees based upon time and material not to exceed \$375,000.

Following engagement of Olsson's, plans and specifications were prepared for bidding the project, including initial work on alternative items to a degree sufficient to obtain bids from contractors. Bids were solicited for the project construction and, on October 24, 2017, the City approved a contract with Nemaha Landscape Construction, Inc. The contract provided for substantial completion on October 1, 2018 and final completion on November 30, 2018. Due to unforeseen delays, a change order was approved for substantial completion by October 26 and final completion December 22, 2018.

In early summer Olsson Associates had nearly reached the stipulated not-to-exceed limit of \$375,000. Meanwhile, the City's contractor continued its work on the project and Olsson continued to provide the required professional services throughout the summer including, but not limited to, construction observation, contract management, staking, and necessary design work. Olsson's performance of professional services was required in order to keep the project moving and ensure the contractor's work complied with the contract documents.

Discussion

The Letter Agreement between the City and Olsson's specifies a contract made on a time and expense basis not-to-exceed \$375,000. The scope of work specified the design, engineering, and services to be provided, including part-time construction observation and field-testing at an average of 24 hours per week for 20 weeks. Unfortunately, due to the construction period and additional work, the fees associated with this project exceeded the amount specified by the Letter Agreement. Despite exceeding the project's not-to-exceed amount, Olsson's remained with the project, completing the tasks required for continued progress of the contractor's work. Olsson Associates is requesting an additional \$120,600.00 for services performed and estimated future services required to finish the project.

The approval of Change Order No. 1 will increase the contract amount to \$495,600.00. This contract is funded with Food and Beverage Tax revenue.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that Council approve Olsson Associates Change Order No. 1 in the amount of \$120,600.00. Approval of Change Order No. 1 will increase the contract amount to \$495,600.00.

Sample Motion

Move to approve Change Order No. 1 to Olsson Associates of Grand Island, Nebraska.



Working Together for a
Better Tomorrow, Today.

CHANGE ORDER #1

TO: **Olsson Associates**
PO Box 1072
Grand Island, NE 68802

PROJECT: **GI Veteran's Athletic Field Construction Phase 2**

You are hereby directed to make the following change in your contract.

1. Additional shop drawing submittals & design alternates..... increase \$ 2,900.00
2. Additional Topo..... increase \$ 1,300.00
3. Eagle Scout Lake Drive Reconstruction..... increase \$ 2,800.00
4. Construction staking..... increase \$21,300.00
5. Construction Observation & Testing (29 weeks @ 24hrs/wk)..... increase \$45,300.00
6. Construction Administration..... increase \$47,000.00

The original Contract Sum	<u>\$375,000.00</u>
Previous Change Order Amount	<u>\$ 0.00</u>
The Contract Sum is increased by this Change Order	<u>\$120,600.00</u>
The total modified Contract Sum to date	<u>\$495,600.00</u>

Approval and acceptance of this Change Order acknowledges understanding and agreement that the cost and time adjustments included represent the complete values arising out of and/or incidental to the work described herein. Additional claims will not be considered.


APPROVED: **CITY OF GRAND ISLAND**

By _____ Date _____
Mayor

Attest _____

Approved as to Form, City Attorney

ACCEPTED: **Olsson Associates**

By  Date 10-16-18

City Hall • 100 East First Street • Box 1968 • Grand Island, Nebraska 68802-1968
(308) 385-5444 ext. 290 • Fax: 385-5488

**LETTER AGREEMENT
AMENDMENT #1
017-0296**

Date: October 16, 2018

This AMENDMENT ("Amendment") shall amend and become a part of the Letter Agreement for Professional Services dated March 21, 2017 between the City of Grand Island, Nebraska ("Client") and Olsson Associates, Inc. ("Olsson") providing for professional services for the following Project (the "Agreement"):

PROJECT DESCRIPTION AND LOCATION

Project is located at: West side of Broadwell Avenue south of Highway 281, Grand Island, Nebraska.

Project Description: Additional services for continuation of the development of the Grand Island Sports Complex south of Eagle Scout Lake, on the north side of Grand Island, also known as the Veterans Sports Complex.

SCOPE OF SERVICES

Client and Olsson hereby agree that Olsson's Scope of Services under the Agreement is amended by adding the services specifically described below for the additional compensation set forth below:

- 1.1 Additional survey of the existing Eagle Scout parking lot and drive.
- 1.2 Design of the reconstruction of the Eagle Scout Drive (Alternate F).
- 1.3 Review shop drawing review of the Bleacher Canopies and redesign of the area for the canopies for the acceptance of Alternates A and B.
- 1.4 Reviewing picnic shelters shop drawings and design of the areas for the acceptance of Alternate G.
- 1.5 Additional staking required for additional sidewalk and pavement areas from the original masterplan and additional staking requests by the Contractor.

- 1.6 The original scope assumed 20 weeks construction. Construction was suspended for four weeks due to winter shut down. The contractor has requested to extend the completion date for construction to December 22, 2018. This time frame represents an additional 29 weeks of construction. Provide the City with part-time construction observation and testing at an average of 24-hours per week and construction administration at an average of 15-hours per week for the additional 35 weeks of construction.

COMPENSATION

For the additional Scope of Services specifically set forth in this Amendment, Client shall pay Olsson the following fee in addition to the fee(s) set forth in the Agreement:

Client shall pay to Olsson for the performance of the Scope of Services, the actual time of personnel performing such services, and all actual reimbursable expenses in accordance with the Labor Billing Rate Schedule(s) and the Reimbursable Expense Schedule attached to this Agreement. Olsson shall submit invoices on a monthly basis and payment is due within 30 calendar days of invoice date.

Olsson's Scope of Services will be provided on a time and expense basis not to exceed \$120,600.

TERMS AND CONDITIONS OF SERVICE

All provisions of the original Agreement not specifically amended herein shall remain unchanged.

If this Contract Amendment satisfactorily sets forth your understanding of our agreement, please sign in the space provided below. Retain a copy for your files and return an executed original to Olsson. This proposal will be open for acceptance for a period of 30 days from the date set forth above, unless changed by us in writing.

OLSSON ASSOCIATES, INC.

By 
Matt Rief, PE

By 
Jeff Palik, PE

By signing below, you acknowledge that you have full authority to bind Client to the terms of this Amendment. If you accept this Amendment, please sign:

CITY OF GRAND ISLAND, NEBRASKA

By _____
Signature

Printed Name _____

Title _____

Dated: _____

RESOLUTION 2018-320

WHEREAS, on April 11, 2017 by Resolution 2017-118, the City of Grand Island engaged the firm of Olsson Associates of Grand Island, Nebraska, to perform professional services with respect to the City's Veterans Sports Complex project, including preparation of plans, project specifications, construction observation, and contract management; and

WHEREAS, Olsson Associates is requesting additional compensation for additional services performed and to be performed through the projected project final completion date; and

WHEREAS, such additions will be funded through the Food and Beverage Tax;
and

WHEREAS, such modifications have been incorporated into Change Order No. 1;
and

WHEREAS, the result of such modifications will increase the contract amount by \$120,600.00 for a revised contract price of \$495,600.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor be, and hereby is, authorized and directed to execute Change Order No. 1 between the City of Grand Island and Olsson Associates from Grand Island, Nebraska to provide additional compensation as follows:

1. Additional shop drawing submittals & design alternates.....\$ 2,900.00
2. Additional Topo.....\$ 1,300.00
3. Eagle Scout Lake Drive Reconstruction.....\$ 2,800.00
4. Construction staking.....\$21,300.00
5. Construction Observation & Testing (29 weeks @ 24hrs/wk).....\$45,300.00
6. Construction Administration.....\$47,000.00

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, October 23, 2018.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
October 18, 2018	☐ City Attorney