

SUBMITTED BY: Daritza Villalobos, Grants Coordinator

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Other / NA

ORGANIZATIONAL IMPROVEMENTS:

SUBJECT: **RESOLUTION NO. 25-1707**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the execution of a **CHANGE ORDER** to the **PACE ENGINEERING CONTRACT** for a preliminary engineering report – effluent study at the wastewater plant adding scope of work consisting of a 30% design of the recommended alternative for reuse of the effluent discharge located in Cochise County, Arizona.

EXECUTIVE SUMMARY:

This memo seeks approval for a change order to the existing contract with PACE Engineering to expand the scope of work to include 30% design. This amendment is necessary to fully utilize the \$200,000 grant by the Water Infrastructure Finance Authority (WIFA). The city has already committed a 25% match totaling \$50,000. Without this change, we risk de-obligating unused grant funds, which would reduce the impact of this critical infrastructure investment.

BACKGROUND:

The City of Douglas was awarded a \$200,000 grant from WIFA to support preliminary engineering work for the effluent discharge of the wastewater plant. As part of the grant agreement, the city committed a 25% match, contributing \$50,000 in local funds. The original scope of the contract with PACE Engineering focused on feasibility and preliminary analysis.

However, WIFA has confirmed that the grant funds can be applied toward design work, and incorporating 30% design into the scope will allow us to maximize the use of the grant. This level of design will also better position the city for future funding opportunities and project implementation.

DISCUSSION:

The proposed change order will expand the scope of services provided by PACE Engineering to include 30% design. This adjustment aligns with WIFA's funding guidelines and ensures that the full \$200,000 grant allocation is utilized effectively. The additional design work will provide more detailed project deliverables, including preliminary plans, cost estimates, and technical specifications, which are essential for advancing the project to the next phase.

This change does not require additional city funds beyond the already committed \$50,000 match. It is a strategic move to enhance the value of the grant and avoid the administrative and financial drawbacks of de-obligating unused funds.

Approval of this change order will allow the city to proceed with the expanded scope immediately, ensuring compliance with grant timelines and maximizing the return on investment for our community.

Staff recommends approval.

FISCAL IMPACT:

N/A.

Fiscal Year: 2025/2026

Amount
Requested: \$

Award Amount

Budgeted: Y / N

Match Amount: \$

Match
Source:

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE RESOLUTION NO. 25-1707.”