



November 26, 2024

Mr. Lance Hopkin
City Engineer/Public Works Director
City of Lander, WY
240 Lincoln Street
Lander, WY 82520

Project: Lander Tank and Pump Station

Regarding: Anticipated Construction Administration Services and Additional Fee Needs

Dear Mr. Hopkin,

Thank you for the opportunity to assist you on this project. We believe it has been a successful project given the low amount of change orders and quality of work product. We are anticipating that the project will run over the planned schedule due to contractor delays and would like to outline our historical spending on this project. Due to this time extension, we anticipate we will expend our current budget. This letter describes our estimate of additional budget needed to finish the project given our current level of effort, and a request for direction.

We have coordinated with the Contractor to determine what their updated schedule is. They believe that they will achieve substantial completion by April 14, 2025. They then have 30 calendar days to reach final completion, after which the 41-day advertisement period will begin, and retainage can be released. If they meet this schedule, that puts all payment applications, including retainage release, out to June 24, 2025. We will then need to close out this project internally, which we estimate taking roughly another month. We would estimate completing our contract by July 31, 2025.

We've had roughly a \$14,300 average costs per month for this project. Table 1 provides the month-by-month fee spent, target fee, and running average. Figure 1 provides a graphical representation of month-by-month costs, average costs, and target costs. As can be observed, HDR is running just below our average expected burn per period projecting the current project end date of December 31, 2024.

Table 1. HDR Construction Administration burn by accounting period, target per period based on budget, and running average.

Accounting Period	HDR Construction Fee Burn (\$/Period)	Target \$/Period	Running Average Fee (\$/Period)
05-23	\$ 4,535.06	\$14,300.00	\$ 4,535.06
06-23	\$ 11,365.55	\$14,300.00	\$ 7,950.31
07-23	\$ 20,070.37	\$14,300.00	\$ 11,990.33
08-23	\$ 17,416.65	\$14,300.00	\$ 13,346.91
09-23	\$ 26,276.32	\$14,300.00	\$ 15,932.79
10-23	\$ 27,083.86	\$14,300.00	\$ 17,791.30
11-23	\$ 8,384.32	\$14,300.00	\$ 16,447.45
12-23	\$ 8,384.32	\$14,300.00	\$ 15,439.56
01-24	\$ 5,838.75	\$14,300.00	\$ 14,372.80
02-24	\$ 7,912.50	\$14,300.00	\$ 13,726.77
03-24	\$ 27,621.90	\$14,300.00	\$ 14,989.96
04-24	\$ 31,742.77	\$14,300.00	\$ 16,386.03
05-24	\$ 12,487.52	\$14,300.00	\$ 16,086.15
06-24	\$ 11,605.60	\$14,300.00	\$ 15,766.11
07-24	\$ 4,910.98	\$14,300.00	\$ 15,042.43
08-24	\$ 8,371.46	\$14,300.00	\$ 14,625.50
09-24	\$ 12,988.08	\$14,300.00	\$ 14,529.18
10-24	\$ 10,212.55	\$14,300.00	\$ 14,289.36
11-24		\$14,300.00	
12-24		\$14,300.00	

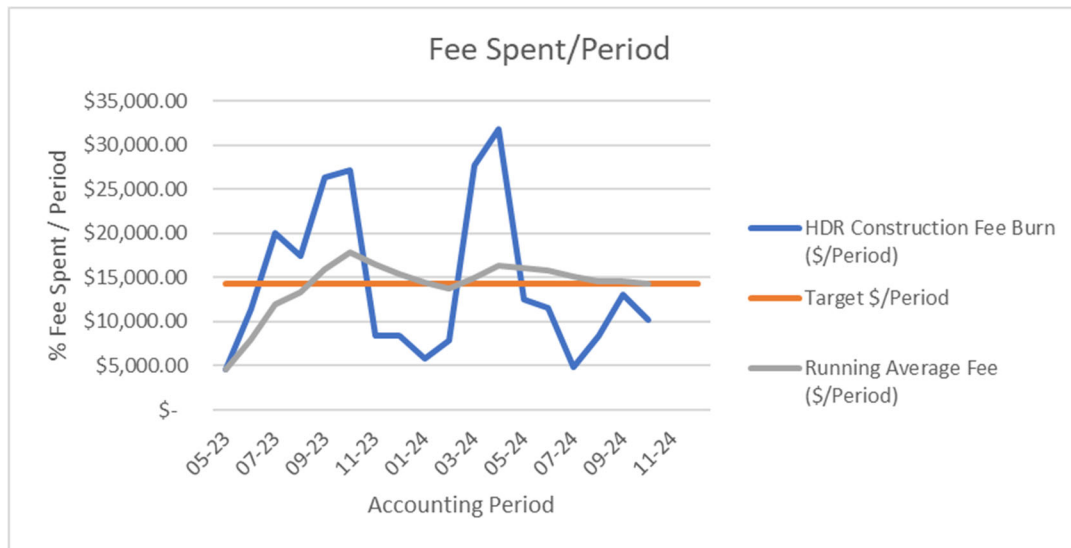


Figure 1. Graphical representation of data contained in Table 1. As can be observed, HDR is meeting their target average fee burn per period.

As of our last billing period, we have roughly \$36,000 in fee remaining. As presented above, our level of effort has tracked well with our anticipated budget.

During our phone conversation on 11/22/24, you requested we assist the Contractor with their schedule. We will attempt to do this by reviewing schedule logic but will not update sequences or durations of work planned by the Contractor. We will assume no responsibility for or risk from this activity, nor do we assume any liability should the Contractor again fail to meet their schedule. Ultimately, management of the Contractor's schedule is their responsibility. We estimate we would need to spend roughly 40 hours of additional senior engineer time to complete this activity, for a total cost of $(\$180 \times 20) + (\$165 \times 20) = \$6,900$.

Based on the expected completion dates described above, we request to amend our contract for an additional $(7 \times \$14,300) - \$36,000 + \$6,900 = \mathbf{\$71,000}$ to finish the project at our current level of effort with additional contractor scheduling support.

We have attached an amendment for the requested \$71,000. If you do not feel the amendment is appropriate, we'd be happy to meet and discuss the best ways to use our remaining engineering fee to support the successful completion of this project. As discussed, the City may be entitled to liquidated damages from the Contractor to cover these additional costs. The City may also waive the damages at its discretion.

Sincerely,
HDR Engineering, Inc.



Uriel M Shelby, PE
Project Manager



Jason Kjenstad, PE
Sr Vice President

Copy to: Hunter Roseberry: Assistant Public Works Director, Wade Verplancke – WWDO Project Manager, Dave Pendelton: AML Project Manager, Bill Moran: Dakotas/Wyoming Water Lead, Heath Turbiville: Wyoming Principal Engineer, Marcus Krall: Lander Office / Wyoming Water Lead.

Attachments: Amendment 3



AMENDMENT TO OWNER-ENGINEER AGREEMENT

Amendment No. 3

The Effective Date of this Amendment is: 11/26/2024.

Background Data

Effective Date of Owner-Engineer Agreement: 9/10/2019

Owner: **CITY OF LANDER**

Engineer: **HDR ENGINEERING, INC.**

Project: **LANDER HIGH PRESSURE WATER SYSTEM UPGRADES – PHASE III
(TANK AND PUMP STATION)**

Nature of Amendment:

 X Additional Services performed by Engineer

Description of Modifications:

See attached letter

Agreement Summary:

Original agreement amount:	\$ <u>321,600.00</u>
Net change for prior amendments:	\$ <u>705,065.00</u>
This amendment amount:	\$ <u>71,000.00</u>
Adjusted agreement amount:	\$ <u>1,097,665.00</u>

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement. 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.

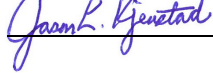
OWNER:

ENGINEER:

CITY OF LANDER

HDR ENGINEERING, INC.

By: _____
Print
name: _____

By: 
Print
name: Jason Kjenstad

Title: _____

Title: Sr Vice President

Date Signed: _____

Date Signed: 11-26-2024