

May 18, 2023

City of New Meadows
Attn: Julie Good, Mayor
Submitted Electronically

Dear Mayor Good,

Mountain Waterworks has worked with the City over the last several months to manage the construction phase of the City's water project and provide construction observation services to monitor the general contractor's progress. Per our previous discussions and your request, we have prepared an amendment to the Engineering Services Agreement dated May 14, 2018 for additional construction management and construction observation services to provide the City with a successful project. The proposed budget increases for these services are based on the construction schedule provided by TCG Construction, Inc. and a 213-day construction window for project completion in 2023 between May 1 and November 30.

This amendment includes additional engineering budget to provide the following professional services:

1. **Construction Management and Post-Construction Services Related to Construction Change Order No. 5 (\$15,000, Engineering Basic Services):** Mountain Waterworks worked with the City, funding agencies, and the general contractor to add the previously designed distribution main replacement project into the scope of work for TCG Construction, Inc. Since delivery of the distribution project is not currently included in the Engineer-Owner agreement, we have included an additional \$15,000 in the Engineering Basic Services budget to provide the following services:
 - a. Construction and post-construction phase services, including review of Contractor product submittals, responses to Contractor requests for information during construction, substantial and final completion walkthroughs, and responses to issues that may arise during the contractor warranty period.
2. **Preparation of Record Drawings (\$5,000, Engineering Additional Services):** Record drawing preparation is included in the additional services portion of the Owner-Engineer agreement. This amendment adds \$5,000 to prepare record drawings for the distribution main replacements included in Change Order No. 5 to the Owner-Contractor agreement with TCG Construction, Inc.
3. **Subcontract for Mountain Utility Services (\$27,500):** Following the merger of Mountain Waterworks with Merrick & Co. at the end of January 2023, Tim Farrell has begun working as an independent contractor through his new company, Mountain Utility Services. As Mr. Farrell has been involved with this project since its initiation several years ago, Mountain Waterworks and the City have agreed his continued involvement in the project is beneficial. This amendment includes a \$27,500 increase to the Engineering Basic Services budget to maintain Mr. Farrell's involvement in the project. Mr. Farrell's scope of work will include the following items:
 - a. Attendance at weekly on-site construction meetings and preparation of notes, meeting minutes, and action items.
 - b. Attendance and presentation of project updates at City Council meetings as requested by the City.

- c. On-site observation of construction progress and coordination with Mountain Waterworks' onsite Resident Project Representative.
 - d. Services as a technical advisor and resource to Mountain Waterworks and the City during construction.
4. **Additional Resident Project Representative Services (\$70,000):** Our current Engineering Services Agreement includes part-time Resident Project Representative (i.e., on-site construction observation) services. The remaining project RPR budget as of May 1, 2023 is adequate to provide approximately one 8-hour day of RPR services per week through the estimated end of the project construction phase on November 30, 2023. This amendment provides an additional \$70,000 to the RPR budget to provide one Resident Project Representative for an average of 25 hours per week between May 1, 2023 and November 30, 2023. This position will continue to be filled primarily by John Stone.

A summary of the overall project budget including the impact of the proposed changes outlined above is attached to this letter. Funding for this amendment would be transferred from project contingency, leaving approximately \$270,000 in contingency funding to complete the project.

Thank you for your consideration of this proposal. Please contact me with any questions or concerns you may have regarding the scope of work. If it meets with your approval, Exhibit K of the Owner-Engineer agreement is attached for your review and execution.

Mountain Waterworks



Principal Engineer

Attachments (2): Owner-Engineer Agreement Exhibit K, Overall Project Budget Summary

This is **EXHIBIT K**, consisting of [2] pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated [May 14, 2018].

AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 1

The Effective Date of this Amendment is: May 22, 2023.

Background Data

Effective Date of Owner-Engineer Agreement: May 14, 2018

Owner: City of New Meadows

Engineer: Mountain Waterworks, Inc.

Project: 2022 Water System Improvements Project

Nature of Amendment:

- Modifications to services of Engineer
- Modifications to responsibilities of Owner
- Modifications of payment to Engineer

Description of Modifications:

Background Information

In April 2023 the City approved Change Order 5 to its contract with TCG Construction, Inc. to expand the project scope to include replacement of portions of the water distribution system using construction drawings previously prepared by Mountain Waterworks. Due to funding constraints, this work was not originally included in the bid set for the 2022 Water System Improvements project, and construction management and Resident Project Representative services related to this work were not included in this Owner-Engineer Agreement. This amendment includes budget increases for construction and post-construction phase services, RPR services, and additional services related to the distribution work and the 2022 Water System Improvements project.

The purpose of this Exhibit K is to define the remaining work to be completed by Engineer associated with the 2022 Water System Improvements Project. This work shall include the following:

- Review of submittals, RFIs, contractor pay applications, and other construction phase and post-construction phase services as identified in the Owner-Engineer Agreement specific to scope of work included under Change Order No. 5 to the Agreement between Owner and Contractor for Construction Contract (Stipulated Price) between the City of New Meadows and TCG Construction dated August 4, 2022.
- Preparation of record drawings and operation and maintenance manual information related to the scope of work included under Change Order No. 5 to the Agreement between Owner and Contractor for Construction Contract (Stipulated Price) between the City of New Meadows and TCG Construction dated August 4, 2022.
- Procurement of professional engineering services from Mountain Utility Services for construction-phase services for the 2022 Water System Improvements Project.
- Provision of one Resident Project Representative for the 2022 Water System Improvements Project at an average of approximately 25 hours per week for an estimated 30-week construction window.

WHEREAS Owner has requested additional Resident Project Representative services and the scope of the project has changed to include additional construction work,

NOW THEREFORE:

Modify Part C2.01.A.4 of Exhibit C to Owner-Engineer Amendment dated May 14, 2018 as modified by Amendment 1 as follows:

4. The total compensation for services under Paragraph C2.01 is estimated to be \$518,900 based on the following estimated distribution of compensation:
 - a. Study and Report Phase \$43,000 (Completed)
 - b. Preliminary Design Phase \$127,000 (Completed)
 - c. Final Design Phase \$150,000 (Completed)
 - d. Bidding or Negotiating Phase \$38,000 (Completed)
 - e. Construction Phase \$145,400
 - f. Post-Construction Phase \$15,500

Modify Part C2.04.A of Exhibit C to the Owner-Engineer Amendment dated May 14, 2018 as modified by Amendment 1 as follows:

A. *Owner shall pay Engineer for Resident Project Representative Basic Services as follows:*

1. *Resident Project Representative Services:* For services of Engineer's Resident Project Representative under Paragraph A1.05.A of Exhibit A, an amount equal to the cumulative hours charged to the Project by each class of Engineer's personnel times Standard Hourly Rates for each applicable billing class for all Resident Project Representative services performed on the Project, plus related Reimbursable Expenses and Engineer's Consultant's

charges, if any. The total compensation under this paragraph is estimated to be \$[235,000] based upon part-time RPR services, 32 hours per week, Monday through Friday, over a 30-week construction schedule between May 2023 and November 2023.

Modify Part C2.05.A.1 of Exhibit C, Compensation Packet AS-1 to the Owner-Engineer Amendment dated May 14, 2018 as follows:

(1) General. For services of Engineer's employees engaged directly on the Project pursuant to paragraph A.2.01 or A.2.02 of Exhibit A, except for services as a consultant or witness under paragraph A.2.01.A.20, an amount equal to the cumulative hours charged to the Project by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class for all Additional Services performed on the Project, plus related Reimbursable Expenses and Engineer's Consultant's charges, if any. The total compensation under this paragraph is estimated to be \$135,000 and this amount shall not be exceeded without written approval of Owner and concurrence of Agency. Following is an itemized breakdown with line item estimates for each additional services task:

a. O&M Manual, Record Drawings:	\$20,000
b. Surveying:	\$35,000
c. Geotechnical:	\$10,000
d. SCADA Programming:	\$25,000
e. Water Quality Sampling:	\$10,000
f. Geophysical Logging, Camera:	\$10,000
g. Contract and Funding Admin:	\$25,000

Agreement Summary:

Original agreement amount:	\$ 631,500
Net change for prior amendments:	\$ 139,900
This amendment amount:	\$ 117,500
Basic Services:	\$ 42,500
RPR:	\$ 70,000
Additional Services:	\$ 5,000
Adjusted Agreement amount:	\$ 888,900

Change in time for services (days or date, as applicable): N/A

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

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.

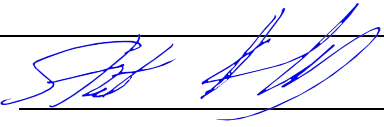
OWNER:

ENGINEER:

By: _____
Print
name: _____

Title: _____

Date Signed: _____

By:  _____
Print
name: Stuart Hurley, P.E. _____

Title: Idaho Water Practice Lead _____

Date Signed: 5/18/2023 _____

City of New Meadows
Water System Improvement Project
Overall Project Budget Summary

Total Project Funding Package		\$5,266,200						
Project Costs								
Item No.	Description	Amount	Amount w/ Approved Change Orders	Amount with Proposed Engineering CO #2	Amount Billed to Date	Amount Remaining w/ Proposed Engineering CO #2	% Budget Used 04/25/2023	% Budget Used w/ Proposed Engineering CO #2 04/25/2023
Construction								
1	US-95 Main Replacement Project (Knife River)	\$281,100	\$281,100	\$281,100	\$281,100	\$0	100%	100%
2	Valve and Hydrant Replacements and Maintenance (Irminger)	\$227,500	\$227,500	\$227,500	\$227,500	\$0	100%	100%
3	GIS Mapping (Valves, Hydrants, Services); Water Meter Software/Equip.	\$13,049	\$13,049	\$13,049	\$13,049	\$0	100%	100%
4	Well Site Land Acquisition	\$25,000	\$25,000	\$25,000	\$25,000	\$0	100%	100%
5	Drill and Construct New Well (Dig Well Idaho)	\$219,198	\$247,602	\$247,602	\$247,602	\$0	100%	100%
6	Idaho Power Service Installation (Well 5)	\$42,257	\$42,257	\$42,257	\$42,257	\$0	100%	100%
7	2022 Water Project (Well House, Booster Station, Reservoir, Distribution)	\$2,613,549	\$3,102,206	\$3,102,206	\$855,901	\$2,246,304	28%	28%
8	Construction Subtotal	\$3,421,653	\$3,938,714	\$3,938,714	\$1,692,409	\$2,246,304		
Administration/Legal/Other								
8	Contract Operator Expenses (Owner Reimbursable through ARPA)	\$25,000	\$25,000	\$25,000	\$0	\$25,000		
9	CDBG Administration (Davis Bacon Monitoring)	\$45,000	\$45,000	\$45,000	\$29,100	\$15,900	65%	65%
10	ITD Water Project (Crestline Engineers ITD Project Design Contract)	\$43,000	\$43,000	\$43,000	\$43,000	\$0	100%	100%
11	Legal Expenses	\$12,000	\$12,000	\$12,000	\$563	\$11,437	5%	5%
12	Interim Interest and Misc. Administrative Expenses	\$43,000	\$43,000	\$43,000	\$0	\$43,000	0%	0%
13	Administration/Legal/Other Subtotal	\$168,000	\$168,000	\$168,000	\$72,663	\$95,337		
Engineering								
14	Basic Services	\$376,500	\$476,400	\$518,900	\$423,200	\$95,700	89%	82%
15	Construction Observation	\$125,000	\$165,000	\$235,000	\$129,787	\$35,213	79%	55%
16	Additional Services	\$130,000	\$130,000	\$135,000	\$114,410	\$15,590	88%	85%
17	Engineering Subtotal	\$631,500	\$771,400	\$888,900	\$667,398	\$146,502		
18	Total Allocated Project Costs	\$4,221,153	\$4,878,114	\$4,995,614	\$2,432,470	\$2,488,144		
19	Total Contingency Remaining (Total Funding - Total Project Costs)		\$388,086	\$270,586				