RESOLUTION NO. 2972

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AMENDMENT #2 OF THE CONTRACT ON THE C.C. CRAGIN RESERVOIR WATER TREATMENT PLANT DESIGN AND POST DESIGN SERVICES PROJECT ORIGINALLY IDENTIFIED AS PHASE 0006 WITH SUNRISE ENGINEERING, INC. ("CONTRACTOR"), AND THE TOWN OF PAYSON, AN ARIZONA MUNICIPAL CORPORATION, ("TOWN").

WHEREAS, pursuant to A.R.S. § 9-240 (A) and (B), the Town Council shall have control of the finances of the municipal corporation and shall appropriate money and provide for the payment of its debts and expenses; and

WHEREAS, pursuant to A.R.S. § 9-240 (B)(6), the Town Council shall also have power to provide the Town with water, to construct public wells, cisterns and reservoirs in the streets and other public and private places within the town and beyond the limits thereof and to supply the same with pumps and conducting pipes or ditches; and

WHEREAS, pursuant to A.R.S. § 9-571 (A), the Town may construct, acquire from a willing seller or improve a wastewater treatment facility, drinking water facility or nonpoint source project with monies borrowed from or financial assistance provided by the water infrastructure finance authority of Arizona ("WIFA"); and

WHEREAS, the Town of Payson has and will be using funds provided under WIFA Loans as may be applicable to fund the project; and

WHEREAS, the **TOWN** officially approved a CDR on December 13th, 2012 to enter into the Original Agreement with **SUNRISE ENGINEERING, INC.** under the scope of work for the Raw Water Penstock Construction Post Design Services; and

WHEREAS, the **TOWN** approved **Amendment #1** pursuant to Resolution 2953 on September 15th, 2016 to revise the scope of work and to increase the contract amounts due for the additional duration of construction and added services; and

WHEREAS, the **TOWN** desires to approve **Amendment #2** to revise the scope of work to show the changed project delivery method from Design-Bid-Built (DBB) to Construction Manager at Risk (CMAR) at no additional cost to the Town.

NOW, THEREFORE, THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO HEREBY RESOLVE AS FOLLOWS:

Section 1: That Amendment #2 to the Original **C.C. CRAGIN RAW WATER SUPPLY**

Prepared by Town of Payson Legal Department

HMF:dkk October 10, 2016 (3:04PM)

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PROJECT CONTRACT (WATER TREATMENT PLANT & HYDROELECTRIC GENERATOR POST DESIGN SERVICES) with **SUNRISE ENGINEERING, INC.** c/o Gregory D. Potter, **414 S. Beeline Highway, Suite 1, Payson, Arizona 85541** is approved and authorized at no additional cost.

Section 2: That Kenny J. Evans, Mayor of the Town of Payson, is authorized to execute the Contract Amendment #2 in substantially the form attached hereto as Exhibit A.

Section 3: That the Town and the Town Manager are authorized to take such other and further actions as may be necessary or appropriate to carrying out the intent of this Resolution and Amendment #2.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this 20th day of October, 2016, by the following vote:

AYES _____ NOES _____ ABSTENTIONS _____ ABSENT _____

_____
Kenny J. Evans, Mayor

ATTEST:

_____
Silvia Smith, Town Clerk

APPROVED AS TO FORM:

_____
Hector M. Figueroa, Town Attorney

Prepared by Town of Payson Legal Department

HMF:dkk October 10, 2016 (3:04PM)

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Exhibit A

to Resolution 2972

(CRAGIN SUNRISE AMENDMENT #2)

AMENDMENT TO AGREEMENT FOR CC CRAGIN RAW WATER SUPPLY PROJECT WATER TREATMENT PLANT & HYDROELECTRIC GENERATOR POST DESIGN SERVICES

Project No.: 04420.001

Amendment #2 dated September 2, 2016 is subject to the terms and conditions of the original agreement dated December 14th 2012, between the Town of Payson (Client) and Sunrise Engineering, Inc. (Engineer), and adds the following services:

Summary of Changes in this Amendment: Revise the scope of work for the Water Treatment Plant & Hydroelectric Generator Post Design Services to show the changed project delivery method from Design-Bid-Build (DBB) to Construction Manager at Risk (CMAR).

This Agreement shall be governed by the laws of the state where the services are provided.

TOWN OF PAYSON
303 N. Beeline Highway
Payson, AZ 85541

By: _____

Title: Principal/Vice Pres.

Date: 9-20-16

SUNRISE ENGINEERING, INC.
414 S. Beeline Highway, Suite 1
Payson, AZ 85541

By: _____

Title: _____

Date: _____

AMENDMENT DESCRIPTION:

The scope of work outlined in the original contract for Phase 0006 – Water Treatment Plant and Hydroelectric Facility Post Design Services contemplated that the construction for the Water Treatment Plant and Hydroelectric Facility would be accomplished using a Design-Bid-Build (DBB) project delivery method. The individual tasks, scope and fees reflect this in the contract. Subsequently, the Town desired to change the delivery method from DBB to a Construction Manager at Risk method (CMAR). A CMAR delivery method creates a modification to the scope of work for the project. The intent of this amendment is to reflect this change and reallocate the fees within Phase 0006 accordingly. The proposed changes are as follows:

Scope Change - Task 0006-001 – Bidding Services: This original scope of work was intended to assist the Town in the necessary bidding to obtain a DBB contractor. This scope of work will be changed to assist the Town in the solicitation and selection process for a CMAR contractor. No change in fee amount is included in this scope of work change.

Scope/Fee Change - Task 0006-002 – Construction Administration: In a DBB delivery method, after the project finishes bidding and construction "starts", the engineer begins the process of answering Requests for Information (RFI's) from the contractor, sub-contractors and vendors to provide additional information/clarifications regarding the plans, specifications and equipment. This would normally be billed as part of the "Construction Administration" services in our contract. The CMAR delivery method brings the contractor on a little differently, during design. This transition is not as abrupt as DBB delivery method. This necessitates meetings, RFI's, equipment reviews, value engineering design changes and other ancillary work not contemplated as part of the original Construction Administration services. This amendment proposes creating a Pre-Construction Services line item in our scope of work (shown below) to account for this modification to the project delivery method.

NEW - Task 0006-008 – Pre Construction Services/CMAR Contractor Coordination: This scope of work will be added to account for the pre-construction meetings, coordination, Request for Information (RFI) responses, value engineering design changes, equipment review and substitution changes and other ancillary work performed during the period of time from the selection of the CMAR contractor until the start of actual construction.

This amendment proposes a reallocation of the fees from Task 0006-002 to create Task 0006-008. The overall scope is approximately the same it just does not occur in the same order as a DBB delivery method as originally contemplated. The table below shows the proposed changes in association with the contract amendment. All other scope and fees in the contract will remain the same.

Phase 0006 - Water Treatment Plant & Hydroelectric Generator Post Design Services

Task	Scope of Work Item	Original Contract Amounts (DBB)		Proposed Contract
001	Bidding	$ 24,900		$ 24,900.00
002	Construction Administration	$ 233,300		$ 188,300.00
008	Pre-Construction Services (New Task)	$ -		$ 45,000.00
	Original Total	$ 258,200	Revised Total	$ 258,200
			Net Phase 0006 Contract Change	$ -

Upon approval of this amendment Task 0006-008 will be created and Task 0006-002 will be reduced in accordance with the contract amounts shown above. Future billing will be in accordance with the Phases and Tasks outlined above.

SCOPE OF WORK CONDITIONS & EXCLUSIONS

A. The scope of work for this contract is limited to the items listed above. If additional items are added to the contract, they will be performed in accordance with rates & fees shown in Exhibit A.
B. Reproduction, mileage and travel costs shall be billed as a reimbursable expense in addition to the contract cost in accordance with the rates and fees shown in Exhibit A.
C. The fee schedules shown in Exhibit A can be revised to the current annual fee schedule on the anniversary of the contract execution for providing Time and Material services.

EXHIBIT A

SUNRISE ENGINEERING, INC.

Arizona Offices
2016 Fee Schedule

CODE	CLASSIFICATION	RATE		CODE	CLASSIFICATION	RATE	
101	Engineer (E.I.T.) I	$89	*per hour*	051	Administrative I	$40	*per hour*
102	Engineer (E.I.T.) II	$99		052	Administrative II	$49	
103	Engineer III	$125		053	Administrative III	$59	
104	Engineer IV	$145		922	Survey Tech	$60	
105	Engineer V	$165		930	Survey CAD Tech	$85	
110	Principal Engineer	$195		935	Survey Crew Chief	$110	
711	Project Manager I	$115		940	Survey Manager	$115	
712	Project Manager II	$150		945	Registered Surveyor	$125	
301	Engineering Tech I	$69		950	Principal Surveyor	$160	
302	Engineering Tech II	$85		351	Construction Manager I	$ 119	
303	Engineering Tech III	$95		352	Construction Manager II	$ 139	
304	Engineering Tech IV	$105		353	Sr. Construction Manager	$ 159	
401	CAD Technician I	$59		920	Field Technician I	$ 59	
402	CAD Technician II	$69		921	Field Technician II	$ 69	
403	CAD Technician III	$79		900	Field Technician III	$ 79	
404	CAD Technician IV	$89		MILE	Mileage	$0.59	*per mile*

Subconsultants and other direct expenses as incurred plus 10% handling fee