October 23, 2012
ITEM # I-2

To: **Mayor and Commissioners**

From: **Chuck Shively, Director of Public Works**

Subject: **Amendment No. 1 to the October 27, 2009 Engineering Services Agreement with TranSystems Corp. for design of the Cline Road reconstruction project.**

Recommendation: **Authorize execution of Amendment No. 1**

Discussion: On October 27, 2009 the City Commission approved Resolution R-09-173 authorizing an engineering services agreement with TranSystems Corporation. The scope of services authorized by the resolution was for preliminary and construction engineering services for the Kansas Department of Transportation STP Project No. 63 U-2291-01 for improvements to Cline Road between 8th Street and Woodland Avenue.

The resolution authorized compensation to the engineer based on hourly rates for work performed on the project with a maximum fee of $145,000.00 for preliminary engineering (design) and $180,000.00 for construction engineering (inspection). An agreement was subsequently executed by TranSystems and the Mayor for the preliminary engineering portion of the project with a maximum fee of $145,000.00. No agreement was entered into for the construction engineering (inspection) portion of the project.

As the City Commission is aware, this is the grant that KDOT attempted to change into a loan after design was nearly complete. After more than a year of discussions and negotiations, KDOT finally agreed to fund the project with a modified scope. During that time period, the proposed scope of the project changed several times requiring redesign, cost estimates, etc. to back up our negotiations with KDOT. TranSystems performed these additional services for the City through the existing agreement. Total engineering fees have now exceeded the $145,000.00 maximum authorized by the agreement.

TranSystems recently requested the City consider increasing the maximum fee to cover the costs incurred for the additional work performed for the City outside of the original agreement scope. TranSystems stated that they do not want this request to be controversial, or for the City to feel that it is unfair, and that if either is the case they will finish the project for the original maximum fee.

After considering the request, I believe TranSystems has performed a significant amount of work that could not have been foreseen at the time of the original proposal and award. The additional work requested by the City during our successful negotiations with KDOT was an addition to the scope of the original agreement, and the final amended agreement with KDOT required significant redesign of the project by TranSystems. In addition, the original agreement was based on the design being performed at TranSystems' 2009/2010 hourly rates, but has now been continued through 2011 and 2012.

On a side issue, the revised agreement with KDOT stipulates that KDOT will perform the Construction Engineering (inspection) portion of the project, so no agreement will be executed for the $180,000.00 previously approved by the City Commission for that task.

Therefore, I recommend approval of Amendment No. 1 to the October 27, 2009 Engineering Services Agreement with TranSystems Corporation, increasing the maximum fee from $145,000.00 to $162,000.00.

Respectfully Submitted,

Chuck Shively
Director of Public Works

RESOLUTION NO. R-12-100

A RESOLUTION TO AUTHORIZE THE EXECUTION OF AMENDMENT NO. 1 TO THE OCTOBER 27, 2009 ENGINEERING SERVICES AGREEMENT WITH TRANSYSTEMS CORPORATION (ORIGINAL CONTRACT - RESOLUTION NO. R-09-173) TO AMEND THE NOT TO EXCEED AMOUNT FOR PRELIMINARY ENGINEERING SERVICES FROM $145,000.00 TO $162,000.00 FOR THE KANSAS DEPARTMENT OF TRANSPORTATION STP PROJECT NO. 63 U-2297-01 FOR IMPROVEMENTS TO CLINE ROAD BETWEEN EIGHTH STREET AND WOODLAND AVENUE.

BE IT RESOLVED, by the Board of Commissioners of the City of Coffeyville, Kansas that the Mayor and the City Clerk be and are hereby authorized and directed to execute Amendment No. 1 to the October 27, 2009 engineering services agreement with TranSystems Corporation (Original Contract - Resolution No. R-09-173) to amend the not to exceed amount for preliminary engineering services from $145,000.00 to $162,000.00 for the Kansas Department of Transportation STP Project No. 63 U-2297-01 for improvements to Cline Road between Eighth Street and Woodland Avenue.

ADOPTED THIS 23RD DAY OF OCTOBER, 2012.

_____
David George, Mayor

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY

_____
Paul Kritz, City Attorney

AMENDMENT NO. 1
TO THE OCTOBER 27, 2009
AGREEMENT BETWEEN
CITY OF COFFEYVILLE, KANSAS and
TRANSYSTEMS CORPORATION
FOR PROFESSIONAL SERVICES

The October 27, 2009 Agreement between owner and engineer for professional services, Article II, Section 1 is hereby amended as follows:

Article II: Compensation

Section 1. RATES
The maximum fee for Basic Services for this project shall be increased from $145,000.00 to $162,000.00.

IN WITNESS WHEREOF, the parties hereto have made and executed this Amendment No. 1 to the October 27, 2009 Engineering Services Contract between the City of Coffeyville, Kansas and TranSystems Corporation this 23rd day of October, 2012.

CITY OF COFFEYVILLE, KANSAS

By: _____
David George, Mayor

_____
Cindy Price, City Clerk

TRANSYSTEMS CORPORATION

By: _____
Shawn Turner, P.E.