

COUNCIL AGENDA STATEMENT



Meeting Date: November 12, 2024
To: Honorable Mayor & Members of the City Council
From: Dan Saus, Utilities Manager
Through: George Garrett, City Manager

Agenda Item: **Resolution 2024-122**, Awarding Change Order #2 For The Chemical Systems Upgrades To Pedro Falcon Contractors, Inc.; Approving A Change In Contract Amount From \$80,587.18; Authorizing The City Manager To Execute The Contract And Expend Budgeted Funds On Behalf Of The City; And Providing For An Effective Date. This Work Qualifies And Will Be Submitted For Reimbursement Through The Existing CDBG-DR Grant.

BACKGROUND & JUSTIFICATION:

Change Order #2 is attached as Exhibit “A” details the Scope of Work and cost breakdown for the required work changes in the Chemical Systems Upgrades project. The changes include unforeseen electrical conflicts impacting the installation of Sure Volt heater and overhead power lines at the WWTP and conflicts between existing overhead power lines and the new generator installations. City staff, consisting of the Utility Director and the Utility Staff, have reviewed the proposal and the proposal is reasonable for the work and approval is recommended.

CONSISTENCY CHECKLIST:

	Yes	No
1. Comprehensive Plan	<u>X</u>	___
2. Other – 2010 Sewer Mandate	<u>X</u>	___
3. Not applicable	<u>X</u>	___

FISCAL NOTE:

The adopted FY25 Wastewater Utility Budget includes appropriations of \$4,951,269 for CDBG grant related projects.

RECOMMENDATION:

Approval of Resolution

**CITY OF MARATHON, FLORIDA
RESOLUTION 2024-122**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING CHANGE ORDER #2 TO THE CONTRACT WITH PEDRO FALCON CONTRACTORS, INC. IN AN AMOUNT NOT TO EXCEED \$80,587.18 FOR THE POWER CONDITIONING PROJECT; AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AND EXPEND BUDGETED FUNDS ON BEHALF OF THE CITY; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Change Order #2 is attached as Exhibit “A” details the Scope of Work and cost breakdown for the required work changes in the Chemical Systems Upgrades project; and

WHEREAS, changes include unforeseen electrical conflicts impacting the installation of Sure Volt heater and overhead power lines at the WWTP and conflicts between existing overhead power lines and the new generator installations; and

WHEREAS, the Staff recommends the City Council to approve Change Order #2 for the additional work described to the proposal from Pedro Falcon Contractors Inc., in an amount not to exceed \$80,587.18, as provided on Exhibit “A.”

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

Section 1. The above recitals are true and correct and are incorporated herein by this reference.

Section 2. The Change Order #2, between the City and the Pedro Falcon Contractors for the Power Conditioning Project a copy of which is attached as Exhibit “A,” together with such non-material changes as may be acceptable to the City Manager and approved as to form by the City Attorney, is hereby approved. The City Manager is authorized to execute Change Order # on behalf of the City and expend budgeted funds.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 12TH DAY OF NOVEMBER 2024.

THE CITY OF MARATHON, FLORIDA

Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Diane Clavier, City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

Steve Williams, City Attorney

Bond No. 107916278

**EXHIBIT "C"
CHANGE ORDER**

CHANGE ORDER NO. 2

TO: City of Marathon

PROJECT: Marathon Power Conditioning & Surge Protection Project

CONTRACTOR: Pedro Falcon Contractors, INC.

DATE: October 30th, 2024

This Change Order will authorize the following change to the Agreement:

The Work as set forth in the Agreement is hereby amended to include the items set forth on **Exhibit "1"** attached hereto and by this reference made a part hereof.

This Change Order constitutes full, final, and complete compensation to the Contractor for all costs, expenses, overhead, and profit, and any damages, and/or time adjustments of every kind that the Contractor may incur in connection with the above referenced changes in the Work, and any other effect on any of the Work under the Agreement. The Contractor acknowledges and agrees that (a) the Contract Price of \$4,475,940.38 under the Agreement will be **changed** by this Change Order, and (b) the schedule for performance of Work will be **changed** by this Change Order. Contractor expressly waives any claims for any additional compensation, damages or time extensions in connection with the above-referenced changes. Except as herein or heretofore expressly modified, all terms of the Agreement shall remain in full force and effect and shall cover the performance of, and payment for, any work authorized hereunder. Any defined terms not defined in this Change Order shall have the meanings set forth in the Agreement.

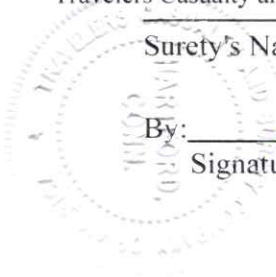
By signing below the parties indicate acceptance of this Change Order as set forth herein.

CONSENT OF SURETY TO CHANGE ORDER

The Surety Agrees that this change order is not a cardinal change and if the Change Order includes an increase in the Contract amount, then the penal amount of the payment and performance bond issued for this Contract is increased by the dollar amount of this Change Order.

Travelers Casualty and Surety Company of America (Seal)

Surety's Name and Corporate Seal



By: _____

Signature and Title

Handwritten signature in blue ink

Joseph P. Nielson
Attorney-in-Fact

Attest: _____

Signature and Title

Handwritten signature in blue ink

Dania Gogerty
Witness

City of Marathon

Contractor Pedro Falcon Contractors, Inc.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Exhibit "1"

CHANGE ORDER SUMMARY

This Change Order is necessary to cover changes in the Work to be performed under this Agreement. Except as may be modified herein all of the provisions of the Agreement apply to and govern all Work under this Change Order.

THE FOLLOWING CHANGES ARE MADE TO THE AGREEMENT DOCUMENTS:

- | | | |
|------|---|-------------------------------------|
| (1) | Original Contract Price | <u>\$ 4,328,361.00</u> |
| (2) | Current Contract Price (Adjusted by Previous Change Orders) | <u>\$ 4,475,940.38</u> |
| (3) | Total Proposed Change in Contract Price | <u>\$ 80,587.18</u> |
| (4) | New Contract Price (Item 2 + Item 3) | <u>\$ 4,556,527.56</u> |
| (5) | Original Contract Time (Days) | <u>365 Days</u> |
| (6) | Current Contract Time (Adjusted by Previous Change Orders) | <u>380 Days</u> |
| (7) | Total Proposed Change in Contract Time | <u>90 Days</u> |
| (8) | New Contract Time (Item 6 + Item 7) | <u>470 Days</u> |
| (9) | Original Contract Substantial Completion Date | <u>January 6th, 2025</u> |
| (10) | New Contract Substantial Completion Date | <u>April 21st, 2025</u> |

CHANGE ORDER HISTORY						
Item No.	Description	Current Contract Amount	Additive Change	Deductive Change	Net Change Contract Price	Net Change Contract Time
I.	CO #1	\$4,328,361.00	\$147,579.38	\$0.00	\$147,579.38	15 days
II.	CO#2	\$4,475,940.38	\$80,587.18	\$0.00	\$80,587.18	90 days
Total					\$228,166.56	105 days

This Change Order addresses unforeseen electrical conflicts impacting the installation of Sure Volt heaters and overhead power lines at multiple WWTP sites. It includes the installation of 1" conduits and wiring for heaters at Areas 3, 4, 5, 6, 7, and the Area 5 Remote Vacuum Station. Additionally, conflicts between existing overhead power lines and new generator installations on the elevated platform at Area 5 require directional drilling to reroute these lines. Caputo Electric Inc. will perform the directional drilling and power line relocation, while the 1" conduit installation for the heaters is handled separately. This Change Order reflects the additional time and costs needed to address these adjustments beyond the original project scope.

The cost breakdown is as follows:

PCO #4 Power Connection for Internal Sure Volt heater & relocated overhead power conflicts	\$80,587.18
TOTAL	\$80,587.18



**Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company**

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **David R Hoover, Kristy L Collins, Jarrett Merlucci, Shawn A. Burton, CHARLES D NIELSON, CHARLES J NIELSON, JOSEPH P NIELSON, and IAN A NIPPER** of Miami Lakes, Florida, their true and lawful Attorney (s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in the, r business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April, 2021**.



State of Connecticut

By: 
Robert L. Raney, Senior Vice President

City of Hartford ss.

On this the **21st** day of **April, 2021**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June, 2026**




Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is


FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 4th day of November, 2024




Kevin E. Hughes, Assistant Secretary

**To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.**