

RESOLUTION NO. 53-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS APPROVING A DEDUCTIVE CHANGE ORDER TO PEPPER LAWSON WATERWORKS, LLC, AND ESTABLISHING A FINAL CONTRACT PRICE FOR THE POSSUM KINGDOM RAW WATER ROUGHING FACILITY SECOND STAGE SHORT-TERM DROUGHT STRATEGY

WHEREAS, in response to the drought and as part of the City of Abilene's overall second stage, short-term drought response strategy, the City implemented Possum Kingdom Lake as a raw water supply to provide up to 10 million gallons of raw water per day to the City of Abilene; and,

WHEREAS, on December 18, 2014 the City Council approved a written resolution authorizing the Interim City Manager to negotiate agreements with Pepper Lawson Waterworks, LLC (Pepper Lawson) to serve as the Construction Manager at Risk (CMAR) for the Possum Kingdom Raw Water Roughing Facility which is a required part of the strategy to bring Possum Kingdom water to Abilene; and,

WHEREAS, under the agreement with Pepper Lawson the contract price for the Possum Kingdom Raw Water Roughing Facility is established based on the CMAR's fee, and Guarantee Maximum Price (GMP) proposals and Change Orders accepted by the City; and,

WHEREAS, the initial agreement established the CMAR's fee of 2% for major equipment packages and 4.6% for construction phase services; Preconstruction Phase Services in the amount of \$375,000; and equipment purchases of up to \$15,000,000 (GMP No. 1); and,

WHEREAS, GMP Proposal No. 2 was authorized by the City Council on February 12, 2015 in the amount of \$13,500,000; and,

WHEREAS, GMP Proposal No. 3 was authorized by the City Council on June 25, 2015 in the amount of \$9,852,130; and,

WHEREAS, collectively, the Preconstruction Phase Services and approved GMPs establish the current contract price at \$38,727,130; and,

WHEREAS, Pepper Lawson has presented a DEDUCT of \$2,228,775.43 from the current contract price for the Possum Kingdom Raw Water Roughing Facility to account for "as-built" quantities and the decision by Pepper Lawson to decline any split between Pepper Lawson and the City for cost savings below the contract price as allowed for under applicable provisions of the contract between Pepper Lawson and the City;

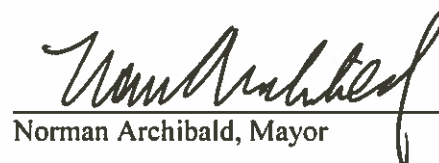
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

Part 1: The City Manager is hereby authorized to execute any documents necessary to accept Pepper Lawson's DEDUCT of \$2,228,775.43 for "as-built" quantities, and the deletion of provisions in the Agreement between Pepper Lawson and the City related to sharing in cost savings related to the Possum Kingdom Raw Water Roughing Facility project, to establish a final contract price of \$36,498,354.57.

ADOPTED this 27th day of April, 2017.

ATTEST:


Danette Dunlap, City Secretary


Norman Archibald, Mayor

APPROVED:


Stanley Smith, City Attorney